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FINANCIAL FEDERATIONS

THE REPORT OF A
SPECIAL COMMITTEE

AMERICAN ASSOCIATION
FOR ORGANIZING CHARITY
130 EAST TWENTY-SECOND STREET
NEW YORK CITY
1917

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REPORT OF THE COMMITTEE

CHAPTER I

INTRODUCTION

TO THE EXECUTIVE COMMITTEE OF THE AMERICAN ASSOCIATION FOR ORGANIZING CHARITY:

Your Committee was appointed May 11, 1915, to study financial federations. Its members are as follows:

W. Frank Persons, Chairman,
Director of general work, New York Charity Organization Society;
William H. Baldwin,
Member of the board of managers, Washington Associated Charities;
Fred R. Johnson,
Secretary, Boston Associated Charities;
Eugene T. Lies,
General superintendent, Chicago United Charities.

For more than a year inquiries had been received by the Association in increasing number from people in cities in which the formation of financial federations was being considered. Up to date the question has been considered or is being considered in at least 48 cities, in addition to those in which federations have been organized. The general secretary of the Association felt himself unable to advise satisfactorily in regard to so complex a matter, and it was on his recommendation that the Committee was appointed.

Our conclusions are presented on page 63. We believe that it has not yet been demonstrated whether the federation plan means a net social advance or the reverse, and our recommendation is against the adoption of the plan *at present* in other cities.

Work was begun in December, 1915, when by arrangement with the Russell Sage Foundation the Committee obtained the services of Fred S. Hall, who has collected the data which he presents in

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the appendices which follow this report. In May and July, 1916, seven federation cities were visited by Mr. Hall, or by members of the Committee, and interviews were obtained with forty-four people. In course of the investigation over 1300 letters were written and over 800 were received. Inquiries were addressed not only to federation officials but in most cities to all federated organizations as well. In some cities a few business men and other outsiders were communicated with, when they were known to be in touch with the local situation. In addition all annual reports issued by the federations (four in number) have been examined, besides a mass of leaflets and bulletins.

We are much indebted to the officials of federations for their cordial co-operation. Without it, our study would have been impossible.

To insure accuracy the manuscript of the material presented here and in the appendices, in so far as it relates to each federation, has been submitted to it for criticism. In addition manuscript copies of the report, with all appendices, have been submitted to the executives employed by four of the federations during the period covered by the study—C. W. Williams, for four years secretary of the Cleveland Federation;[1] Roscoe C. Edlund, of Baltimore; W. J. Norton,[1] of Cincinnati; and Guy T. Justis,[1] of Erie. Replies have been received from all of the federations—in some instances most detailed and painstaking replies. These have been carefully considered, and as a result our report has been corrected, changed or expanded at a number of points.

A financial federation, for the purpose of this study, has been defined so as to include all community-wide, non-sectarian federations of social agencies having as one of their purposes the joint or central collection of funds. There are now 14 such federations; five have been abandoned and one is at present inactive. They vary much in size—from that in Cleveland, with a total budget of over half a million dollars, to those in Oshkosh, Wis., and Richmond, Ind., where the budgets are but $10,000 or less—as well as in the length of their history. The small federations have been included in the study, partly because the cities in which the federation plan is being considered include several no larger than the

[1] No longer the executive of the Federation. See the Directory of federations, p. 284.

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two federated cities just mentioned, and partly because the problems which small federations present are probably different in a number of particulars from those that show themselves in the larger cities. We have also studied the history of four of the federations that have been abandoned, believing that from such experiences much can be learned, at least regarding what ought not to be done.

The federations have several different names, "Alliance" in Baltimore, "Council" in Cincinnati, etc., but for convenience each is referred to throughout this report by the term "Federation."

Federations differ much in their plan of organization. The Cleveland Federation includes practically all of the city's social organizations, while the Baltimore Federation includes but twelve organizations. In Erie and several other cities the local commercial organization appoints part of the federation's trustees, but this is not so in Cincinnati, Baltimore, or at present in Cleveland. The situation is unique in Cincinnati (and since December, 1916, in Cleveland also) in that organizations are included which share in the federation's educational and social work but have no share in its money raising activities. These two federations are "central councils," a part of whose constituent organizations raise their funds jointly.

In December, 1916, as implied in the preceding paragraph, the Cleveland Federation was reorganized on lines quite different from those previously followed. Besides being extended to include organizations which did not share in the money raising efforts, it included certain public agencies engaged in social work. A change was also made in its governing board so that this is no longer selected partly by the organizations, partly by contributors, and partly by the Chamber of Commerce, but is chosen entirely by the affiliated organizations. A month later C. W. Williams, who had previously resigned, was succeeded by Sherman C. Kingsley as director of the Federation. Cheney Jones became secretary of finance.

From correspondents who had been more or less dissatisfied with the Federation up to the time of this reorganization, word has come that in their judgment conditions have now considerably improved. Wherever such correspondents are quoted, both their

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earlier and their later judgments are recorded. On the other hand a recent correspondent, who is thoroughly convinced that the federation plan is sound, expresses his "provisional" opinion that "some of the changes that have been made really do not affect the vital problems either one way or the other. . . . The reorganization is rather more a matter of form than of substance." It was not felt to be advisable, nor would it have been possible, without indefinitely postponing the completion of our report, to make a new inquiry into the situation in Cleveland since the reorganization referred to. Moreover, it is the earlier form of organization that has influenced the development in other cities. Our study, therefore, so far as it concerns Cleveland, relates primarily to the Federation's first four years. Mention is made of the more recent development only where misapprehension would otherwise be caused.

The Denver Federation, under the present name and form of organization, is in its fourth year. For twenty-five years previously it was called successively the Charity Organization Society of Denver and the United Charities. Besides raising funds for its affiliated organizations, through a committee of citizens who gave irregular time to the work, it made appropriations for its central office which was engaged solely in relief work. Joint money raising was practically the only feature it had in common with the present federation. That it was a financial federation during this long period, and is properly studied in connection with the federations more recently established, seems to be indicated by the following statement quoted from one of the Federation's campaign folders issued during the past year:

> In 1888 Denver caught the vision of the great advantages which might result from a federation of its private charities. Twelve of the leading charities of the city, depending upon the public for financial support, and several other organizations not in need of such support, joined hands agreeing to quit overlapping and duplicating in their work and "to promote cordial co-operation between benevolent societies, churches and individuals." For twenty-five years Denver stood alone upholding this federated plan in charitable organization (excepting the Jewish people, who in practically every large city have adopted the plan with great success). Today Cleveland, Cincinnati, Baltimore, Dayton, Grand Rapids, Mich., Springfield, Mass., Erie, Pa., and other smaller cities have adopted the plan, and great progress in social work is being made.

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At the outset we realized that for our report to be of value to those for whom it was primarily intended, both sides of the question should be presented—the failures, difficulties and dangerous tendencies, if any, as well as the successes achieved. Some of the latter, regarding certain federations at least, have become matters of public record, but little if anything is generally known on the other side. For this reason in the letters sent out to affiliated organizations there were inquiries designed to bring out this other side. Thus a question asked of each Cleveland organization whose contributions in any year were much less than the sum announced as its "needs" was as follows:

Do these figures mean (a) that the "needs" proved to be overestimated, or (b) that needed expansions were not possible?

One of the questions asked of each Denver organization was:

Some critics of the federation plan hold that, under it,

a. Contributors are less keenly interested in the work of the organization they give to than they would be if each organization appealed separately,

b. That they are less informed about that work, and

c. That they, therefore, tend ultimately to be less generous.

Is that so in regard to those who contribute to your society?

We recognized that inquiries of this sort might cause criticism, certain organizations inferring from them that prejudice exists in our minds against the federation plan. The questions were asked, nevertheless, for it was felt that only so could there be assurance that both sides of the subject would be fully presented. Many other questions were asked in the effort to have federations state their accomplishments in greater detail and therefore more convincingly.

In connection with our study we have observed a reluctance on the part of certain organizations, in more than one city, to express any opinion or state any facts that might reflect upon their federations. They had joined their federations voluntarily, being more or less thoroughly convinced that the plan was a wise one; they are therefore very anxious that it shall succeed, and are naturally reluctant to say anything which by any chance may interfere with its success. We believe, therefore, that there is little danger that overemphasis has been given to the difficulties and disadvantages of the federation plan by including the statements regarding them

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that have been made to us by correspondents. In general, we realize that comments made within a year or two after the organization of the federations, as many of those quoted have been, may be too favorable because to an extent they are prospective. On the other hand some dissatisfaction is to be expected even when all is going well. Unfavorable comment, therefore, has not been given too much weight, even when it is apparently justified.

In considering the statements received from federated organizations we have an advantage over the readers of this report. These statements have come both from large well-managed organizations and from organizations of quite another type. Having personal acquaintance with the writers of many letters, and in all instances knowing the organizations they represent, we have been able to give relative weight to their replies.

Throughout our study we have recognized that federations fall into two groups—those that were socially organized and those that were not. In each socially organized federation leading social workers and business men already active in social work have usually shaped the development of the project. With them educational and social motives were strong. Federation was desired chiefly for the sake of a better correlation of social work and a better presentation of it to the public. This is fully discussed on pages 164 and 199. More wide-spread, however, as a reason for federation, was the desire on the part of business men for efficiency in social work. This was probably important in most cities. Men who had been previously in contact with social work had social efficiency in mind, but most of them apparently thought chiefly in terms of business efficiency. The so-called "competitive finance" appealed to them as essentially inefficient. Moreover they were perplexed by the multiplicity of organizations, and welcomed the creation of a body in which they had confidence, and to which they might give a lump sum with assurance that it would be well used. Finally, and operating also in all cities, was the desire of business men for protection from repeated solicitation, and the desire of certain organizations for relief from the burden of money-raising. In some cities these financial motives have been by far the most important. The federations formed in such cities have employed no executives or executives with no social

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experience, and they have attempted little or no work beyond the collection of funds. All federations that have been abandoned are in this group. It would be unfair to judge the federation movement by federations organized on so manifestly an unwise basis. We have therefore considered chiefly the socially organized federations. When they have shown tendencies which we regard as unfortunate, the federations in the other groups have been considered also so as to note to what such tendencies may lead.

Regarding several of the cities in which federations of the unsocialized type have been located, we recognize that social work has never been well developed, and that many of their shortcomings are ascribable to that fact. Due allowance for it has been made.

The current is setting toward a greater socialization of federations. In Cincinnati the central collection of funds was undertaken by 21 of the 86 organizations which comprised the Council of Social Agencies—an organization which for two years previously had worked along exclusively social lines. These 21 agencies co-operate thus in money-raising; another group co-operates in purchasing supplies, etc., while all co-operate in advancing the general social program. The reorganization of the Cleveland Federation in December, 1916, was largely along the Cincinnati lines, and a similar reorganization is now being considered in Erie.

In judging federations, particularly on the financial side, one of our great difficulties has been due to the absence of records regarding conditions as a whole in cities where no federations exist and in federation cities before the federations were formed. The task of assembling such data is so great that it has been out of the question to attempt it except along rather narrow and unsatisfactory lines. For the sake of a standard of comparison, we have been compelled, therefore, to rely considerably upon our own acquaintance with conditions in several non-federation cities. It happens that the four members of the Committee have had intimate contact with social work in nine cities—New York, Chicago, Boston, Buffalo, Washington, Minneapolis, Kansas City, Youngstown and Bridgeport, Conn. This is not a satisfactory basis of comparison, and we have, of course, used it only with discretion.

We approached the subject with an entirely open mind. When the study was begun certain members of the committee were much

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in doubt regarding the question. Nevertheless our conclusions, with one minor exception, were unanimous.

Although as a committee we are identified with the associated charities of the country, we have aimed to study the federation movement from the standpoint of social work as a whole. This is shown in the standards expressed in the following paragraph. In measuring the financial gains that federations have made we have made several statistical comparisons with a group of associated charities, but this is merely because figures are not available for any unfederated city, regarding all its social agencies. In the absence of such figures, figures for associated charities in unfederated cities are the best available for comparison with those shown for federations, because as a rule the associated charities in any city is the single organization which is most representative of a large number of givers.

In our preliminary report, presented in May, 1916, we laid down the following standards, among others, which should guide our work:

> The fundamental question, in each community, is whether social work has been made better and broader there by the existence of the federation. A beginning has been made, but only a beginning, toward finding an answer to this question when figures have been assembled showing grand total increases of contributions. . . .
>
> The problem, moreover, is far more than a financial one. We must study the effect or the tendencies of federation on the standards of work in each of the important affiliated organizations. To what extent are these standards raised by the conscious effort of federation officials, as certain federation sponsors claim? To what extent, on the other hand, is the whole matter of standards neglected by federation? . . .
>
> Again, what is the effect of financial federation upon the formation of new organizations—new forms of social effort in a community? . . .
>
> As to the effect of federation on contributors, your Committee must inquire whether through federation they are made better informed and more interested in the city's social work, or whether there is a lessening of interest and information among them, as many fear will be the case.

The four phases of the subject shown in these paragraphs are essentially one. Contributions will increase if interest increases. Standards of work are not chiefly dependent upon funds but they are much affected by them. In the following pages we shall consider the subject under three headings: the financial side, the educational side, and the social side, and shall then express our general conclusions and recommendations (p. 63).

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CHAPTER II

THE FINANCIAL SIDE

A FEDERATION is obliged to succeed financially. All else that it would accomplish is dependent on this. Until its constituent organizations are as well off financially as they could be if working alone, it is difficult for a federation to spend much time or money for educational work, for improving the organizations' standards, or in pushing plans for general social advance. The principal pressure from its organizations is financial. If social or even educational work is neglected, the organizations are still free to engage in such activities direct. But once in a federation they can no longer do financial work direct, except with the most unpromising material—those people who do not give to the federation; hence the organizations' supreme interest that the federation make good financially.

Before this subject can be understood a word of explanation is necessary regarding immunity, the undesignated fund, and the whirlwind campaign. The two former seem to be regarded as essential to a federation's financial work. No federation has ever been without an undesignated fund. The Denver Federation was started without promising immunity to its contributors, but it was later obliged to add that feature. In the judgment of those who criticize the federation plan these two features are the points of greatest danger.

Immunity is the assurance a federation gives to its contributors that they will not be solicited separately by the federated organizations. The many puzzling problems which it presents are shown on pages 92 to 100, on which is given a list of the exceptions which certain federations have felt it necessary to make. Federation officials evidently recognize the danger that is inherent in immunity, but they regard the situation it aims to correct as one needing heroic treatment. One of these officials puts the matter thus:

When charities were few business men rather welcomed personal appeals. During the past quarter of a century, however, charitable organizations have increased

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rapidly, and instead of developing new and broader fields of benevolence, they have allowed the old field, composed of business men and others known to be generous, to be worked to death. The business man is increasingly annoyed by the numerous appeals, and in his bewilderment becomes skeptical of both purposes and results of social work. Unless social workers find some solution of the problem whereby he can receive just protection, the business man, through his commercial organization, will find a solution, and it may not be very favorable to social work. Federation secretaries have not reached a conclusion as to how far immunity should be extended. They are quite well agreed that givers to the federation should be granted immunity from promiscuous solicitation by the federated organizations, but not from further solicitation by the federation itself. We do not claim to have solved the problem, but until the critics can offer something better we shall hold to the immunity idea.

The undesignated or discretionary fund offers a way by which the contributor may make a lump sum gift and leave the distribution of it among the several organizations to the discretion of the federation. In a few federations this has been the only fund, but usually the contributor is told how much is needed for each federated organization, and has an opportunity to state how much he wishes to give to each, and how much to the undesignated fund. In all but two of the federations from which figures are to be had the amount of undesignated contributions was more than half of the total (p. 250).

Whirlwind campaigns have ordinarily been used for building or similar funds. Federations use them for current expenses. Mr. Williams, of the Cleveland Federation, has been much opposed to such campaigns for reasons referred to later on, and several other federation officials have tried to avoid them as much as possible. Nevertheless, with the Cleveland Federation as almost the sole exception, federations have tended to come back to the whirlwind campaign as "altogether the surest way of obtaining the desired amount." This is quoted from an announcement by the Baltimore Federation. In the Erie Federation's first published report the hope was expressed "that the public now understands the work and appreciates its value so that the funds may be raised hereafter through correspondence" (p. 90). Nevertheless, the whirlwind campaign was used again the second year.

In the Cleveland Federation's four years here studied there have been no whirlwind campaigns except the initial one, and that one was not of the highly organized or professional type. A considerable element in Cleveland has regarded the policy which this

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fact reflects as a mistake, pointing to the fact that considerably larger increases in contributions than have taken place in any year in Cleveland have been obtained in cities in which extensively organized and advertised whirlwind campaigns have been used.

To judge of a federation's success on the financial side we must learn (1) to what extent its contributions have increased, (2) whether they have been obtained by methods which give assurance of stability, and (3) whether the contributions have been wisely distributed. These questions are relative. To make good financially a federation must do better than its constituent organizations had done, and also better than they could have done had they followed the methods used in most non-federation cities. This means, so far as the question is capable of a statistical answer, that we must know for each city whether contributions have increased more rapidly than they could legitimately be expected to increase had no federation been formed, and that their distribution has been more wisely made than would have been true under average conditions if the public had been contributing directly.

Unfortunately, there is little information to be had as to increases in total contributions where federations do not exist. Our sole basis of fact relates to about sixty Cleveland organizations for two and one-half years, shortly before the Federation was formed. The figures show that that city's social contributions were then increasing at an average rate of 7.2 per cent per year (p. 111). This figure is used with a great deal of hesitation. Until corroboration has been obtained by means of similar investigations elsewhere this 7.2 per cent increase should be accepted with considerable caution. From figures shown on page 257 regarding the contributions of 26 associated charities[1] in non-federation cities in four recent years it appears that their average increase has been 10.8 per cent per year, as contrasted with 7.2 per cent per year in Cleveland for all organizations. This is just about the difference that might be expected, since it is probable that associated charities as a group are increasing their work somewhat more rapidly than is true of the average of all social organizations,

[1] With exceptions explained on page 111, the associated charities were selected from which it was felt that reliable figures could be obtained on questionnaires. These are naturally in most cases the societies in the larger cities.

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especially of institutions whose capacity is limited by the size of their structures. In our judgment, therefore, the figures for Cleveland, prior to federation, are a fairly accurate standard for use in comparison with the increases shown by federations. For convenience this rate of increase will be referred to hereafter as "the standard," though it must be understood that it is stated as a very approximate standard only. In comparison with it we must consider (1) the increased contributions of federations' initial years, and (2) the increases shown in later years.

A satisfactory statement is not possible regarding initial years because half of the federations considered, as we were much surprised to learn, have no record of the contributions their member organizations received before their federations were formed, and because several other federations have only incomplete records. There are but six federations for which comparison is possible between the initial and the preceding year (p. 248), and in one of these, the Richmond Federation, for reasons explained on page 149, the situation is of no significance in this connection.[1] All of the five remaining federations show much greater increases than the 7.2 per cent we have taken as our standard. From the lowest to the highest the per cents are as follows: Oshkosh, 16.3; Cincinnati, 29.0; Cleveland[2], 31.4; Baltimore, 38.3[2]; and Erie, 80.9.

Can the experience of these five federations regarding increases in the initial year be regarded as typical of all? We doubt it. With but one exception they are the large federations, the ones for which the most careful plans were made, and the ones in which the best trained and most highly paid executives have been employed. By contrast, in the other group—that for which comparison with the previous year is not possible—are the federations that now exist in Dallas, Dayton, Denver, Elmira and South Bend, and the three that were formerly in existence in Birmingham, Salt Lake City and New Orleans.[3] The first two of these abandoned federations

[1] For the reason given on the page referred to the Richmond Federation will not be considered in the remainder of this discussion of the financial side of the question.

[2] See footnote g, page 248.

[3] The abandoned San Antonio and Houston federations are not considered in this connection for reasons that will be apparent from a reading of pages 151 and 244.

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lasted but one year, and the third but a year and a half. It is very unlikely that this would have been so if there had been clear financial gains. There is evidence that the Dallas and South Bend federations were much less successful in their first years' efforts than the federations named in the first group (pp. 129 and 152). The meager evidence available in regard to Dayton is conflicting, but it is probably safe to assume that an increase in contributions of more than 11 per cent was obtained. In regard to the two remaining federations in the second group, those in Denver and Elmira, nothing can be said other than that no dissatisfaction has been reported to us regarding the first years' results. The Denver Federation's first year, however, was 1887–88.

In so far then as we may judge from these figures and the statements referred to, it appears that in the four federations that were carefully organized and in one other, the Oshkosh Federation, the initial years' increases in total contributions were much beyond what could have been expected otherwise; that in three other federations—those in Dayton, Elmira and Denver, there was probably a greater gain than usual, and that in the remaining five—those in Dallas, South Bend, New Orleans, Salt Lake City and Birmingham—the first year's experiences seem to have been either mildly unsatisfactory or worse. In regard to initial years, therefore, financial success *in the matter of total contributions* seems to be clearly shown in five out of the 13 federations considered, with the probability that there was financial success in the case of three others.

When we consider the federations' later years it is difficult to reach a conclusion, for most of the federations are so young. Three are still in their first year—those in Grand Rapids, Milwaukee and St. Joseph[1]; three are in their second year—in Dallas, Oshkosh, and Erie; four are in their third year—in Cincinnati, Baltimore, Richmond, and South Bend; one, in Dayton, is in its fourth year; the Cleveland Federation is in its fifth year; the Elmira Federation is in its seventh year; and the Denver Federation, antedating all others, is in its thirtieth year. Moreover, as referred to above, only one of the five federations now abandoned, that in New Orleans, lasted beyond the first year. It continued work until the middle of its second year.

[1] None of these is included except incidentally in this study.

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Of the seven federations that have completed two or more fiscal years two—the Baltimore and Cincinnati federations—cannot be considered in this connection.[1] Of the remaining five federations one, the Denver Federation, is considered in a later paragraph. The figures for the four other federations indicate that, with the exception of one year in one federation, their later rates of increase were smaller than those shown in initial federation years.[2] The initial increases varied from 16.3 to 80.9 per cent, but in the four federations for which later years are shown the variation is from a decrease of 10.7 per cent (in the sixth year of the Elmira Federation[3]) to an increase of 25.3 per cent (in the fifth year of that federation). These per cents are based on the eleven comparisons that are possible, between successive federation years, for the four federations considered—five for the Elmira Federation, three for the Cleveland Federation, two for the Dayton Federation and one for the South Bend Federation. The decrease just referred to was the only decrease, but the ten increases were small in comparison with the initial increases shown on page 248. Listed from lowest to highest the per cents were as follows: 0.2, 0.6, 7.2, 7.8, 9.1, 11.2, 13.2, 13.3, 13.8, and 25.3 (pp. 130, 141, 152, and 262). The last named increase is the only one that is not smaller than the smallest increase recorded for any initial year.[4]

So far as conclusions can be drawn from such limited data, the above figures show that the rate of increase of a federation's contributions tends to diminish after the first year. We realize, however, that in order to prove a federation's financial success, it need only be shown that its increase in contributions in later years is as rapid as could have been obtained by the organizations separately,

[1] Almost uniformly throughout this study the first fiscal years of these federations have been ignored; because they were incomplete and formative years figures have been collected only for their first complete years. When their "first years" are referred to, unless it is specified to the contrary, their first complete years are meant.

[2] Unfortunately, with the exception of the Cleveland Federation, the same federations cannot be included in the two tables. Compare the federations shown in the table on page 248 with the ones shown on page 249 which have had more than one federation year.

[3] The year 1915–16—a year in which collections in most parts of the country were unusually good in comparison with the preceding year.

[4] The "corrected" per cent of increase for the Cleveland Federation's fourth year, 18.8, is also higher than the smallest increase obtained in an initial year (p. 262, footnote f).

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provided there was an unusually rapid initial increase. That is to say, there is a permanent financial advantage if such an initial increase can be added to at merely the rate that would have been possible were there no federation. Unfortunately, the Cleveland Federation is the only one that can be judged in this manner, for it is the only one for which we know both initial and later increases. Its later increases have been irregular—11.2 per cent, 0.6 per cent and 13.2 per cent successively in its second, third and fourth years,[1] but the average annual increase, 8.0 per cent (based on the increase of the fourth year over the first year), is above the 7.2 per cent recorded in the pre-federation days. The very small increase, 0.6 per cent, occurred in the year of industrial depression, 1914–15.

In the Dayton and Elmira federations, increases since the first year show an annual average somewhat above the pre-federation rate in Cleveland, and these increases, 11.2 per cent and 8.1 per cent respectively, followed initial increases which it has been assumed were also probably large. In the South Bend Federation the opposite seems to be true, for in its second and latest complete year contributions barely escape a decrease. They increased but two-tenths of one per cent. Unless the initial increase was much larger than there is ground for believing, the net result has been financial loss.

Figures for the Denver Federation (p. 268) show 14 years in which there were gains over the preceding year, and 11 in which there were losses. Between the first two years for which we have a record and the last two years there was an increase which is equivalent to an average of but 1.9 per cent per year in the twenty-five-year interval. This is much below the 7.2 per cent here used as a standard of comparison.[2]

Regarding these few federations which can be judged by initial and later increases taken together our conclusion is that up to date financial success that gives promise of permanency can be ascribed to the Cleveland Federation and probably also to the Elmira

[1] Page 262. Note in footnote f the reasons that exist for believing that there have really been more even rates of increase.

[2] The figures on which these Denver per cents are calculated (page 268) relate only to contributions to the Federation itself. A better showing would probably be made if the considerable contributions were known which the organizations received direct.

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and Dayton federations; there is much doubt regarding the South Bend Federation, while failure, on the whole, must be recorded regarding the federation in Denver. That is to say, in so far as it can be measured by an increase in *total* contributions, such success seems shown more or less satisfactorily in regard to three of the five federations for which evidence is at hand for a period of years.

This summary is unsatisfactory because so few federations can be included, and because the experience has been so short in all of them except the Denver Federation. Initial gains are to be expected; it is in the later years that disappointment may be feared. There is natural enthusiasm for a big joint undertaking which is announced, as federations always are, as promising so much of advantage to all concerned. Moreover, the business men of a city are usually enthusiastic for the plan, and that means much for its initial success. They gladly help in organizing the movement, they become members or captains of the campaign teams, and many of them increase their contributions. If a good secretary is employed this impetus may be effective for a number of years.

It is at this point that our second question assumes importance—whether the money raising methods that federations employ tend to build up the stable constituency that social work must have if it is to succeed. These methods involve the principles of immunity, lump sum giving, and whirlwind campaign solicitation. The effect of the two former upon the interest of contributors is considered in a later chapter (pages 46 to 50). In connection with immunity, and its effect upon contributions, attention may be called to an analysis the Erie Federation has made of its increased contributions so as to show the extent to which all classes of givers shared in them (p. 144). This shows that increased amounts were subscribed by 56.2 per cent of the former small contributors, by 79.0 per cent of the former contributors of medium amounts, and by 89.9 per cent of the former large contributors. It thus appears that in Erie at least—and indications elsewhere are in the same direction—the federation is more appreciated by the large contributors than by the contributors of medium or small amounts. It has been asserted by critics of the federation plan that this is so principally because of immunity; that the large givers have been more annoyed in pre-federation days by promiscuous solicitation

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than givers of small or medium amounts; and that their increased contributions are to be regarded very largely as the price they are willing to pay for the immunity they prize so highly. Federationists stoutly deny that this is so. Thus Mr. Justis, of Denver, writes:

> There are those who attempt to buy immunity, but they are not the ones who increase their subscriptions. Persons who give from such a motive buy their immunity as cheaply as possible. The principal reason why the larger givers increase their gifts in the initial year is because they are given the opportunity to give the amount they thought they had been giving in previous years. The psychological effect of frequent giving is for the giver to feel that he is giving a great deal. The man who keeps an accurate account of his charitable gifts is the rare exception. Most men give their money in doles, just as they give their relief in doles, until taught differently.

Mr. Edlund, as a result of his experiences in both the Cleveland and Baltimore federations, gives a different reason:

> The principal reason why the larger givers increase their gifts in the initial year is that the old competitive method had failed to secure as much interest from big business men. They recognize the value of centralized co-ordinated effort, and are willing therefore to give more when they feel that the social agencies are making efforts to meet social problems more effectively.

We accept the judgment of federation officials in this matter. Our fear relates not to the motive of givers in obtaining immunity, but to the results of immunity—the effect upon the contributor of the barrier which it sets up. The motive for undesignated giving may also be a high one, but here again (as discussed on page 49) it is the result upon the giver that we fear.

The whirlwind campaign so widely used by federations has a more direct financial effect. The difficulty some federations have found in repeating such campaigns year after year, and their desire to abandon them, have been mentioned. When the whirlwind campaign is abandoned, the federation staff must bear the year-round burden that takes its place, or year-round solicitation by volunteers must be used. In cities without federations there is a considerable amount of such solicitation, the number of people participating in it being undoubtedly large. We have no record of anything corresponding to this in importance in a federation city and we see no way by which any large number of people can be

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enrolled for year-round service in raising money for a federation. The staff is rarely sufficient to undertake so immense a task,[1] hence the more or less unwilling dependence upon the whirlwind campaign. In our judgment the excitement incident to such campaigns tends to make people wait to be influenced again in that way, and to make them less responsive to requests to give that are not attended by that sort of stimulus.

We are convinced that whirlwind campaigns furnish an essentially unstable foundation for the financial structure of a city's social work, and that they are bound to prove more unsatisfactory each succeeding year. The importance of this conclusion lies in the fact that, with the exception of the Richmond Federation's first year, the only very large increases in contributions—increases of 15 per cent or more—have been obtained by means of whirlwind campaigns.[2]

In general our study of the methods employed by federated finance leaves the definite impression that they offer less assurance of stability than is enjoyed in non-federation cities. There is considerable ground for the fear that in time immunity, lump sum giving, and whirlwind campaign solicitation will result in a decrease in the concern that many givers now feel for the activities to which they give, and—what is more important—that for the same reason new contributors will not develop an interest of this sort. To the extent that this is so there cannot fail to be a reaction upon the amount contributed. It should be noted also that the factors which make for large increases in contributions operate from the start, while the more subtle effects of immunity, lump sum giving, and whirlwind campaign solicitation are slow in making themselves felt.

We are obliged to pass over the question whether the increased contributions have been sufficient to cover the organizations'

[1] In Cleveland since the initial campaign the staff has done the money raising chiefly by means of personal solicitation, letters and telephone calls, with the assistance at special times from trustees and others. Its accomplishments are a monument to the very complete organization that has been effected on that side of the Federation's work. Extensive volunteer assistance was given in a brief telephone campaign, late in 1916.

[2] If the "corrected" per cents of increase are accepted for the Cleveland Federation, as shown on page 262, the increase in its fourth year, 18.8 per cent, constitutes another exception to this statement.

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needs. Most federations in their annual campaigns announce the amount needed by each organization and the total amount, but it is clear that ordinarily these so-called "needs" represent merely "legitimate desires." When contributions fail to equal the real needs of an organization, it may curtail its work or incur a deficit,[1] or it may follow both courses. Therefore the figures regarding deficits incurred under federations tell only part of the story.[2] Sometimes these deficits have been incurred by the federations themselves. In Cincinnati there was a deficit of $7,865 at the end of the Federation's only complete year—equivalent to 5.2 per cent of the year's contributions. In Dallas the Federation ended its first year with a deficit of $6,690, equivalent to 16.7 per cent of the contributions it received.[3] In Dayton, the Federation's accumulated deficit at the end of its third and latest year was $5,181—equivalent to 13.6 per cent of that year's contributions.[4] The deficit of the New Orleans Federation in its only complete year was a small one—$259.

Usually where deficits exist they have been incurred by the organizations themselves (p. 251), the most conspicuous being those incurred in Cleveland. In the first federation year 19 of the 55 organizations incurred deficits, and in the succeeding years, respectively, 19, 22 and 24 organizations. Their totals rose from $20,497 in the Federation's first year, equivalent to 4.8 per cent of the total contributions, to $77,051 in the fourth year, equivalent to 14.2 per cent of the total. By contrast with this last figure we are considerably impressed by the statement contained in the report of the Committee of the Chamber of Commerce that for 1909, before the Federation was formed, the total deficits in the yearly budgets amounted to but $51,740, "very evenly divided among 19

[1] For the definition of the term "deficit" as used in this study see page 112, footnote 2.

[2] As illustrating the fact that a serious financial shortage may exist and yet through restriction of expenditures deficits may be avoided, attention is called to the situation in the United Charities of Dallas early in 1916 (p. 129), and in the Social Service Bureau of Denver (pp. 138 and 139).

[3] The Federation placed this deficit in the budget for the second year and paid it off after the campaign in the first month of that year. For this reason it does not regard any deficit as having been incurred in the first year.

[4] Of the accumulated deficit of the Dayton Federation, $1,800 was incurred in its first year, $1,900 in its second year, and $1,481 in its third year.

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institutions."[1] In contrast to the 14.2 per cent in the Federation's fourth year, this is equivalent to but 9.0 per cent of the $573,562[2] received in contributions by the organizations that the Committee studied.

For the Cleveland Federation these deficit figures force us to qualify somewhat the conclusion concerning financial success that was stated above. For the other five cities, particularly Denver and Erie, they indicate at least that the federations have not given entire assurance of financial stability.[3] Mr. Norton, in this connection, refers to the deficits incurred by organizations in pre-federation days—a phase of the subject which it was not practicable for us to study, except in regard to Cleveland, as shown above. He writes: "Federations are gradually eliminating the habit of financing social work by deficit. It is fair to assume that they cannot clean up a miserable condition of this kind within one or two years."

Our third question—whether the gifts in each city have been divided among the various organizations more wisely as a result of the federation's existence—cannot be answered without a much more intensive study than it has been possible for us to make. In general the organization is exceptional which has had a decrease in contributions in a federation year. In Cleveland, however, as summarized by Mr. Williams at the end of the Federation's third year, 11 out of 51 organizations considered showed de-

[1] Report of the Committee on Benevolent Associations, 1913, page 18. It is true that in the fourth Federation year, referred to above, when the total deficits of 24 organizations were $77,051, they were more than counterbalanced by excesses of receipts over disbursements in 27 other federated organizations, the latter totaling $79,912, while in the year covered by the Chamber of Commerce Committee's study a net deficit of $8,143 remained even when account was taken of the balances in the hands of other institutions. The Committee's report speaks of this situation as "a very gratifying result when the tremendous increase in budgets is considered." The report continues, however, as follows: The fact that there was a small deficit does not indicate that the institutions have solved their financial problem. On the contrary, increased cost of collecting funds, the decreasing of the amount of the budgets by 19 institutions, the suspension of work because of lack of funds by one institution, and the marked increase of permanent indebtedness by other organizations, in this a time when money is easily to be secured, indicates that there are serious problems still to be solved.

[2] Ibid., pages 6 and 19.

[3] Note, however, the comparison (p. 114) between associated charities' deficits in federation and non-federation cities, the advantage being somewhat on the side of the societies in federation cities.

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creases. In nine of them this was over a three-year period, and in two over a two-year period (p. 117). Decreases were shown in one of the Cincinnati Federation's 21 organizations in its one complete year (p. 267), in one of the Baltimore Federation's eight organizations for which comparison is possible, and in three of the Erie Federation's 11 organizations—decreases of 6.3, 16.7 and 28.2 per cent (p. 270). We realize that situations frequently arise in which organizations in a given year, because of increases in other forms of income or for other reasons, may need less in contributions than in the preceding year, or in several years preceding. All of the decreases here referred to may be explainable thus, but it was not practicable for us to make a detailed study of them or of the variations in increases referred to in the next paragraph. A very complete explanation has been offered regarding the one Baltimore decrease (p. 126), and regarding the 16.7 per cent decrease in Erie, which was that of the Associated Charities (p. 145). Explanations are also offered on page 117 regarding certain of the Cleveland decreases.

A similar contrast appears, when we note the great variation, within most federations, in the rates of increased contributions that the affiliated organizations have enjoyed. In Erie four organizations had increases of over 100 per cent, in contrast with the three organizations whose contributions had decreased in comparison with their income from contributions, entertainments, etc., in the pre-federation year (p. 270). Similar contrasts for the Cincinnati and Elmira federations will be found on pages 267 and 271. It must be remembered that these variations, like those referred to in the preceding paragraph, do not necessarily represent variations in the prosperity of the federated organizations, because needs vary from year to year, and so does income from other sources than contributions. However they are explained, there is little doubt that in many cases these relative increases are quite different from what would have been shown had there been no federations, and it is a question of importance whether a general social benefit has resulted. Federation leaders believe that a decided advantage has been gained through the conscious check federations are able to place upon unwise distribution. One of them states that before the federation was formed in his city

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"some organizations of less importance, but whose work was more spectacular, were laying up a surplus annually," while others doing better all around work suffered. On the other hand, it is our belief, though this is stoutly denied by federationists,[1] that federations tend toward a leveling down of strong agencies, in financial support and in public esteem, and a leveling up of weaker ones. It is not possible without making invidious comparisons to refer to instances of this.

The uneven financial experiences of the Cleveland organizations are reflected also in the deficits shown for 24 organizations in 1915–16 and the balances shown for 27 others (p. 251), and in the widely varying statements of opinion received from the representatives of nearly two-thirds of these organizations (pp. 123 to 125). Several of them have only praise for the financial assistance received. One, for example, reports the Federation to be "quite a help," and another has a sense of security, for in emergencies it can ask for a share of the undesignated fund. But other correspondents (p. 121) reported in 1916 that "many organizations" were then complaining; that a number of them, "despairing of requisite funds," had threatened to leave the Federation, and finally that while "many organizations" had been benefited financially, it was felt that "several important agencies" had been, and then were, "in serious financial straits with the result that some of the most valuable work in the city" had not been extended. One of those who made this statement has qualified it, since the Federation's reorganization last December, by stating that the financial straits referred to were later "taken care of"; and another by stating that the situation has now so changed that there is "much more hope of a successful culmination, the present plan being fundamentally right."

From a study of these statements and others (p. 232 ff.) in

[1] The secretary of the Denver Federation points out "that the trustees of the Federation last year, and again this year, voted to care for the needs of the Social Service Bureau by a regular monthly appropriation, whether there were sufficient funds on hand to care for the other federated organizations or not; their only motive being an appreciation of the importance of the work of this organization and the wisdom of maintaining it at a high standard." Reference is also made, on behalf of the Erie Federation, to the Hamot Hospital, whose contributions increased in the federation year from $172 to $11,712, as "an earnest attempt to 'level up,' not a poor organization, but one of the best organizations in the city, which had gotten almost hopelessly in debt during the unfederated days."

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which federated organizations expressed opinions as to whether other cities might safely follow Cleveland's example at once, we get a clear impression that the financial advantage up to the summer of 1916 had been doubtful in about as many instances as it had been decided and that a few organizations felt that they were worse off.

The statements from other cities regarding financial advantages may be summarized more briefly.[1] By seven of Baltimore's 12 organizations, near the end of the Federation's first year, generally favorable opinions were expressed, though two of the seven felt it was too soon to judge (p. 127). In Cincinnati, 13 of the 21 organizations replied, in the middle of the first and only complete year, and practically all expressed satisfaction (p. 129). The statements received from Dayton in course of the third year are inconclusive because but three of the nine organizations replied. One was "not materially benefited" (p. 131). Only eight of the 21 organizations in the Denver Federation replied, four of them favorably (p. 140). Four of the five organizations written to in Elmira replied and all were satisfied (p. 142). Every organization in the Erie Federation replied to our inquiries, and their letters contained more "unqualified praise" than appeared in the replies from any other federation. Only one organization is doubtful regarding advantages received, though several were clearly disappointed that the full amount of their needs was not obtained (p. 146). The replies from South Bend (p. 153) from eight of the 12 organizations indicate that three were decidedly pleased with the outcome; three others expressed dissatisfaction; and two, while reporting themselves satisfied, refer to the curtailing of work that was necessary. Their satisfaction seems to relate chiefly to being relieved of the burden of collecting funds.

In considering the statements from social organizations we are impressed by their contrast with those made by business men. Unless the latter have some connection with particular federated organizations, they are almost unanimous in praising the federated plan, while criticism of its operation has come almost entirely from social workers. One of the reasons for this is clear. When federa-

[1] No reference is made to replies from organizations in cities in which federations have been abandoned.

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tions are proposed they offer relief to the business man from repeated solicitation, but an important attraction to social workers is the prospect they hold out of larger funds and less effort and worry in raising them. Federations almost always make good in keeping their promise to givers in regard to immunity[1] but they do not always make good in providing the funds their federated organizations believe they need. Moreover, when contributing business men endorse the plan they give up nothing beyond recall, but social workers and directors of particular organizations give up for all time—or until they withdraw from the federation—their former right to solicit any one they please. They relinquish this right in the belief that they will not need to exercise it—that their needs will be cared for even though they expand year by year. Therefore, whenever these needs are not met to their satisfaction, they tend to recall the right of independent appeal which they formerly possessed.

So far as figures are available it appears that in most federation cities the associated charities have fared about as well as the other federated organizations. In Cleveland the increase of the Associated Charities' contributions in the Federation's fourth year—147.0 per cent (p. 114)—over the year before the Federation was much above that of the Federation as a whole. This was also true, according to the secretary of the society, of the "years just prior to the Federation." In Erie, as previously mentioned, the Associated Charities showed a decrease in the Federation's only year, 1915–16, and there were similar decreases in that year in three other associated charities that belong to federations—those in Elmira, Oshkosh, and South Bend (p. 256). But decreases are shown in about the same proportion of "unfederated associated charities,"[2] and it is probable that in most cases they represent decreased needs due to improved industrial conditions in 1915–16.

Deficits seem to have been less common in the associated chari-

[1] Violations are rare of the pledge that organizations take in this matter. The experience of Denver several years ago, when a good many violations were reported, is quite exceptional. Many exceptions to the immunity rule have been made (p. 92 ff.), but it is clear that they have not appreciably reduced the promised protection against personal solicitation.

[2] Five of the nine federated associated charities for which figures are available show decreases in the years referred to, and 16 of the 26 unfederated associated charities (pp. 256 and 257).

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ties in federated cities (p. 114). In 1915–16 only two of these societies incurred deficits, while nine of the 26 societies studied in unfederated cities incurred them. The most striking figures pointing in the opposite direction are those of the Cleveland Associated Charities. That organization's needs in the past four years have been expanding so very rapidly that in spite of large increases in contributions it has incurred deficits in each of the four federation years. The situation at the end of the fourth year was unparalleled in any society in either a federated or a non-federated city (p. 261). At that time its total unpaid deficit, accumulated since it joined the Federation, was $70,483—equivalent to 55.3 per cent of the society's total contributions in that year.[1] The corresponding figures for the 12 associated charities in non-federation cities that incurred such deficits, out of 26 considered, vary from 2.3 per cent up to a maximum of but 31.3 per cent. More than half of them were less than 17 per cent, and five less than 10 per cent. The same contrast appears if only the year 1915–16 is considered. The Cleveland society's new deficit incurred in that year was equivalent to 33.4 per cent of its contributions (p. 260). For no one of the 26 unfederated societies was the corresponding per cent larger than 21.9, while for only two of them was it larger than 7.7 per cent.

Because of a peculiarity that existed till recently in the Denver situation, the part of the Federation that most nearly corresponds to an associated charities elsewhere—now called the Denver Social Service Bureau—has suffered more from lack of funds than most Denver organizations (pp. 138 and 139). For a long period it was the "central office" of the Federation itself, and therefore could not make appeals for its work to unfederated givers as the other organizations could do. Its appropriation from the Federation treasury was $5,000 in 1891, and $5,000 also twenty years later. Even in 1914–15 when it had been established as a separate organization and when financial conditions had improved, its total contributions were but $8,874, far below those received by associated charities in cities of Denver's size. The statistical comparison shown on page 259, and the striking quotations on page 139 from the Fed-

[1] The new deficits incurred in the four successive years were $5,070, $3,777, $19,002 and $42,634. The last-named deficit, and therefore also the accumulated deficit at the end of the fourth year, has been reduced in course of the current fiscal year, 1916–17, by $14,600 applied on the deficit of 1915–16 (p. 264, footnote c).

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eration's reports and from the President of the Social Service Bureau, apparently justify the remark of a competent observer who is familiar with the Denver situation to the effect that "case work in Denver has been cruelly handicapped by this [the federation] plan."

On behalf of the Denver Federation it is explained that the small income of the Social Service Bureau, compared with associated charities in other cities of its size, is due in part at least to the fact that "in probably none of the other cities is the department of public relief so efficiently managed as it is in Denver under the directorship of Miss Gertrude Vaile." By mutual agreement the public charities cares for resident families and transient men, and the Social Service Bureau for transient families, "which present a considerable problem in Denver." But this limitation of the Social Service Bureau's work has existed for many years, and it is only in recent years that Miss Vaile has been connected with the department referred to.

Variation in the prosperity of organizations under federations is perhaps no greater than in non-federation cities. Final judgment on this matter is impossible. In regard to the non-federation cities of our acquaintance we are of the opinion that the available gift income is not distributed in the proportion that is best for the social interests of these cities; but we are far from sure that any board of directors, in whatever way constituted, can safely discharge so delicate a task as the redistribution of that gift income with such satisfaction to the public as to increase democratic interest in social work, and with such skill that greater social progress is insured. That task calls for wisdom greater than organizations have usually been able to summon for their own direction, and, as we believe, greater than can be commanded by federations.

In our study we have received a large amount of information of a non-statistical character, and a portion of that regarding the Cleveland and Denver federations deserves to be summarized at this point.

In 1916 the treasurer of the Cleveland Federation, though convinced that it had made good on the other sides of its work, stated that he was not sure that it "could justify itself" on the basis of an increase of the sum total of gifts. Similarly, after three and

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one-half years as secretary of the Federation, Mr. Williams wrote that it was doubtful if, considering advantages and disadvantages, "federation is worth the required effort for increased efficiency of expenditures by organizations and increased satisfaction of givers by its gains." But like the treasurer of the Federation he had no doubt as to the Federation's success on the non-financial side (p. 119). On the other hand stands the almost uniformly favorable testimony of Cleveland business men (p. 232). One states that his firm "would continue to give that way no matter how many others quit." Some very favorable editorials appeared in Cleveland papers at the end of the Federation's fourth year (p. 232).

The record of the Denver Federation's 29 years of work is in print in its successive annual reports, a set of which we have been able to consult. Judged by that record, up to about two years ago[1] the Denver Federation was a failure financially. On pages 137 and 138 will be found a few of the many statements these reports have contained in different years regarding the inadequacy of the contributions received and the extent to which the work of the various organizations was crippled. We quote but one of these—from the report for 1913–14, the first year after the Federation's reorganization upon the original Cleveland plan. It is as follows:

> The amount collected for distribution was larger than usual, but it fell far short of the amount required to maintain the institutions properly. Many of their helpful activities were curtailed, and some had to be abandoned because of lack of funds. . . . The first year of the Denver Federation for Charity and Philanthropy [the reorganized United Charities] was marked by an apparent never-ending stream of difficulties and a consequent ceaseless effort to overcome them.

In 1915, a year after this was written, the officers of the Federation were so discouraged that they recommended that it be abandoned "because of its failure to meet its obligations to the affiliated organizations."[2] A few months later, in a survey report, it was stated that "many agencies which are convinced that they are

[1] At that time it made its first use of a whirlwind campaign of the highly organized professional type. There has been considerable improvement in the past two years, and with the recent employment, as secretary, of a social worker of considerable experience both in associated charities and federation work the Federation's prospects are much brighter.

[2] The Trustees and Presidents of the various organizations refused to accept this recommendation.

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losing money by remaining in the Federation, nevertheless remain from a sense of public duty and because they believe that federation is the right thing."

It is clear that much of this federation's trouble has been due to mistakes of management. For example, it employed no executive until its twenty-first year. But it is equally clear to us, though denied by the present secretary of the Federation, that many of its financial difficulties are due to certain fundamentals of the federation plan. For example, the undesignated fund has apparently been in existence from the start. Nearly all gifts are now made to that fund. In all recent years, moreover, federation givers have been immune from solicitation by constituent organizations. For testimony regarding the results, in our judgment, of these factors upon the interest of contributors—the foundation stone of financial success—the reader is referred to pages 135, 136 and 193.

A different though closely related question is that of the cost of collection (pp. 156–162). Federations have expected to reduce this cost, and it is clear that they have sometimes done so. In Oshkosh, Wis., for example, where the Federation at its start made use of a whirlwind campaign managed without charge by local business men, and where no salaried workers have been employed, the cost for the first year was but 1.0 per cent of the collections. In South Bend a cost of but 4.4 per cent is reported. But in the federations in Salt Lake City, Elmira and New Orleans, the costs were respectively 7.2, 8.1 and 8.4 per cent. In the other federations it has been necessary to make or accept estimates of the amount of the regular running expenses that should be charged to financial work. Except for the Cleveland, Baltimore, Cincinnati and Dallas federations, these estimates are ours. They had to be arbitrary, but we think they are conservative. They indicate a cost of 7.6 per cent in Dayton, 7.8 per cent in Cincinnati, 9.6 per cent in Baltimore, 10.3 per cent in both Cleveland and Erie, 13.8 per cent in Dallas and 14.5 per cent in Denver.

A basis for comparison is available for only three federation cities—Cleveland, Cincinnati, and Erie. It is estimated by the federations in these cities that in pre-federation days the costs were about 13, 15, and 18 per cent respectively. If pre-federation costs

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were equally great in the other cities, there has clearly been a reduction. But we doubt whether such high costs now prevail in most non-federation cities. It is certainly true that the conditions criticized do not now need to exist anywhere, and that where they exist they can be changed by other means than by the establishment of federations.

In this connection we are impressed with the clearly increased cost of collection of the Cleveland Associated Charities. In addition to the cost of collecting what it receives from the Federation that society is obliged to employ a financial secretary and two assistants for the raising of direct contributions.

Our conclusions in regard to the financial side of federations' work will be found on page 63.

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CHAPTER III

THE EDUCATIONAL SIDE

A FEW federations have much to their credit for organized educational work (pp. 164 to 167). They can afford, as separate organizations usually cannot, to employ publicity men of experience, and such men have been employed by the Cleveland, Cincinnati and Baltimore Federations. Through the knowledge which these experts have of the news value of the activities of each organization, and through their ability to put the material into form that will be carried by newspapers, there has been an undoubted gain in these cities in social publicity. In Cleveland it is reported that the amount of newspaper space obtained has averaged nearly a page a week since the organization of the Federation. Similar success is reported from Cincinnati, and to a somewhat less extent from Dallas, while in Erie, where the Federation has aimed primarily to assist the organizations to do this work for themselves, it is reported that an average of about four articles per month has been published in the local papers. For a year or so posters prepared by the Cleveland Federation and changed twice a month were hung in 400 store windows and displayed on factory and other bulletin boards.

Speakers' bureaus have been organized in Cleveland and Cincinnati with lists of social workers and others who are ready to speak on a variety of topics. It is reported that in Cleveland 205 addresses were delivered in the winter of 1915–16 before a total of about ten thousand persons, and that in Cincinnati from thirty to forty speakers per month were supplied. The federation in each city has thus become the medium by which organizations of all kinds may be put in touch with those who are best able to present social topics. Of somewhat the same character is the course of nine lectures on such topics arranged by the Denver Federation. In Baltimore public meetings and conferences on social questions

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have been arranged. Three federations, that in Cleveland and recently those in Cincinnati and Denver, have published periodicals. Four federations have published year-books in which are assembled brief statements regarding the work of each of the affiliated organizations. Such year-books have been published each year by the Denver Federation, two have appeared in the Cleveland Federation's four years, one in the Dayton Federation's three years, and one in Erie at the end of that Federation's first and only year.

Most of this educational effort represents a definite gain to social work in the cities in which it has been undertaken. The activities of all organizations are presented in what the federation regards as their relative importance or in proportion to their need for funds (p. 187). In non-federation cities organized educational work of this sort is unknown outside of a few of the stronger organizations—those whose executives are capable of undertaking it, or those able to employ special publicity workers. We note, however, that such work has been undertaken to an important extent in but five federations out of the 14 that can be considered in this connection.[1] In making this last statement we take no account of the extensive publicity which has accompanied financial campaigns. Most federations announced their intention to do educational work, and it is clear that where it has been neglected this is largely due to the fact that the financial task is so much more pressing (p. 180).

There is much that is constructive in the federations' publicity material, and much also that is quite the reverse. Possibly the general average is not very different from that to be found in non-federation cities. Cleveland's publicity has incurred the criticism that "one is lost in the midst of detail and gets from it only a confused impression." Reference is undoubtedly made to the Federation's Bulletin, and the difficulty the critic encountered is probably due to some extent to the necessity the Cleveland Federation apparently felt to see that a considerable proportion of its 56 affiliated organizations received mention in each issue. If the failing noted is true, it may not be due to an inherent element of the

[1] The nine remaining federations are those in Dayton, Denver, Elmira, Oshkosh, Richmond and South Bend, and those that formerly existed in Birmingham, New Orleans and Salt Lake City. The Denver Federation is included in this group because during nearly all of its history educational work has been neglected.

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federation plan. The correspondent just quoted touches upon another difficulty which seems prevalent in centralized publicity, and the effects of which are plain in the material examined. He writes:

A federation's publicity man not only labors under the disadvantage of not being intimate enough with each organization's work to describe it accurately, but also of being compelled to describe so many different branches of service under one cover, that in the very nature of things he cannot write discriminatingly and at the same time with sufficient detail to forestall inadequate understanding or mistaken impression.

A Cleveland critic states the same point of view more picturesquely as follows:

To interpret to the general public the social significance of a charitable institution, one must be permeated with its spirit. But no one could absorb the "atmosphere" of 57 different philanthropic organizations. The Federation's publicity man here struggles manfully to do the impossible and is really a wonder. But he can do little but represent, largely with photographs and narrative, the pictorial side of the activities of the benevolences he tries to serve. Ask any advertising counsel, if one man, no matter how expert, could handle 57 active accounts, and I think you will get my criticism expressed commercially: "It can't be done."

In view of the purpose expressed by many federations to raise the standards of their affiliated organizations, we had expected federation publicity to be of a much higher order than that found in non-federation cities. Therefore the instances of non-constructive, or worse methods for gaining attention, shown on pages 182 to 186, as used by federations, including several of those with the highest ideals, were a distinct surprise.

Mr. Williams holds that in Cleveland the method of solicitation used is itself educational—this in contrast with what is implied regarding the uneducational, or worse, methods ordinarily followed where no federations exist. He writes:

The result of getting money by the paid personal solicitor is to limit giving to a very small number of people because an average of five calls a working day is large, . . . and to make these calls more and more on the large givers; otherwise the solicitor will show unsatisfactory results. . . . Almost equally unsocial results are obtained by the unpaid volunteer solicitor who capitalizes his or her personal connection for the benefit of some benevolence. It is notorious that these representatives frankly "hold up" business men without any pretense of cultivating interest in social activities.

It is in this way, Mr. Williams states, that the necessity arises for the "seasonal appeal," the public, because it is not informed,

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being ready to give only when "weather conditions excite the imagination." The Cleveland Chamber of Commerce Committee, in 1911, put the difficulty thus:

> The education of the non-giver and the cultivation of the small giver in times of financial stress are too slow with their results; in other times they seem expensive and unnecessary.

Mr. Williams holds, furthermore, that more important than the failure of competitive finance to be educational is the failure of social workers in unfederated cities to make people realize that social ills can be prevented only by their intelligent co-operation. The activity of social organizations, however adequately financed, is not enough. But unfortunately, it is claimed, they do not realize this, and have lost sight of the general public, considering only their beneficiaries and their benefactors. It is claimed, moreover, that because of their inability to view the whole field, competing organizations can neither "assemble nor interpret" the general welfare problem. And, finally, Mr. Williams writes:

> Few societies can employ educational experts. . . . Their financial need, it is true, furnishes motive enough [for educational propaganda] . . . but because of their ignorance of publicity methods their material does not get into the papers.

The mere fact of a subscription blank, listing all organizations with a sentence summary of their activities and with the amount of each budget stated, is itself somewhat educational in regard to the breadth, variety, and relative importance of the city's various forms of social effort. A prospective giver may thus see the social problems of the city in outline. The only member of our Committee who may be said to see the federation plan from the standpoint of the business man—for he has had experience both as a banker and as a manufacturer—is much impressed by the advantage which such blanks, and more especially the federation year-books, offer to a man who wishes to be informed regarding such matters in connection with his decision as to contributions. We accept his judgment in this matter.[1]

[1] Mr. Baldwin, the Committee member referred to, writes as follows: "I went carefully over the year-books of the Dayton, Erie, and Denver federations just as any business man might who was investigating to see whether he ought to make a contribution or not, how much, and to what. It took me just about one-half hour for a pretty thorough examination of the important points of each. . . . This practical test gave me a high opinion of the value of such reports in connection with federations."

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Support is given to the federation claim regarding the greater educational results of its method of solicitation by the fact that in most cities many more people contribute to social work immediately after federations are formed than contributed previously (p. 255). Such an increase is one of the aims of most federations; it is referred to as a democratization of the support given to social work. In each of the ten cities for which figures are available, with the possible exception of Cleveland, the number of contributors increased in the federation's first year, the increase varying from 14.5 per cent in Baltimore to 138.7 per cent in Oshkosh. Larger increases are shown for two other federation cities, but these are based on estimates rather than on a count of the number of contributors in the year before the Federation.

The evidence on this point is not altogether satisfactory because in most cities federations have hardly more than passed their initial years, and we cannot be sure that the new contributors obtained can be held, or a normal proportion of them held, in the later federation years.[1] The increases shown are a normal result of whirlwind campaigns. Most of the new contributors, in the two federations for which a classification of this sort is made, were small contributors (pp. 145 and 195), and most of them also, in the one federation which distinguishes this fact, gave only to the undesignated fund (p. 197). It is quite generally recognized that new, small contributors, obtained by means of whirlwind campaigns, are the most unlikely to renew their gifts.

A general impression seems to have spread throughout the country that the number of contributors was greatly increased in Cleveland when the Federation was formed in that city. Though records are incomplete on which to base a judgment, the fact appears to be that if any increase at all had taken place up to the end of the Federation's fourth year, 1915–16, it was a small one. Mr. Williams wrote in October, 1916, that he was satisfied to let this statement stand as representing the facts.[2] Since the end of

[1] In Cincinnati, so far, there has been no difficulty in this particular. There were 3,929 contributors to the Federation and direct in the first eight months of 1916, the Federation's first fiscal year, an increase of 29.5 per cent over the preceding year. In the early months of the current year, 1917, which is ordinarily not considered in this study, the Federation "netted 12,000 givers," a very large increase over the first year. The Federation's whirlwind campaign was held during these months.

[2] The difficulty in making an exact count is due to the fact that in Cleveland so

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the Federation's fourth year a great increase in the number of contributors has been obtained through a carefully organized telephone campaign, as a result of which the number of persons contributing to the Federation in the current year is much larger than the number recorded before the Federation was formed, five years ago.

To what extent the increased number of contributors in federated cities, to date, represents an increased interest in the social problems of these cities—an interest which can be counted on to hold a normal proportion of these givers in future years—it is impossible at this time to say. The only federation that has had a long enough experience to make possible a test in this matter is the one in Denver. In 1913–14 it had but 795 contributors, and this was after the Federation had been in existence for twenty-five years.[1]

We are frankly fearful regarding the permanency of interest in social work that is aroused through a whirlwind campaign. We recognize the publicity advantages it possesses. (Mr. Norton writes that practically every worker in Cincinnati feels that "the chief advantage of the campaign was not the money raised, but the educational message that was seized by the city as a whole.") We recognize also the advantage that comes from the touch, though necessarily slight, of several score or several hundred team members with the city's social work. But we are convinced that such campaigns can display only the high lights, and that they cannot be depended upon to establish deep and permanent interest in social work. The Cleveland Federation, since its initial and not very highly organized campaign, has taken a strong position against them because it believes they are not educational. In view of this we are considerably impressed by the fact that, with the exception of the Denver Federation, the Cleveland Federation, until recently, has apparently had the smallest increase of any federa-

many people make their gifts direct to the federated organizations instead of through the Federation and it is difficult to get the organizations to make reports regarding these to the Federation.

[1] In addition to this figure there was probably an equal if not greater number, of which no record is available, giving direct to the affiliated organizations. In 1915–16, when the Federation for the first time made use of a highly organized whirlwind campaign, the number of Federation contributors was greatly increased —i. e., to 2,837.

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tion in number of contributors. That is to say, in the federation that has striven hardest to have solicitation educational, the results were the least, for its first four years, if they are measured by the number of new contributors. The great gain was made only when the telephone campaign—essentially a whirlwind campaign—was undertaken. This fact makes us doubtful whether a permanent increase in contributors can be expected from the federation plan.

On the other hand we do not concur in the implication by certain though by no means all federation officials that most solicitation in non-federation cities is uneducational, or worse. It is probably true that in such cities fewer people are solicited than in federation cities in which whirlwind campaigns are used, but from our experience we are convinced that most solicitation in non-federation cities is in some degree educational. It is true that in these cities appeal letters are still sometimes held back till the temperature drops, in order to suggest more vividly the suffering of those for whom help is asked. It is also true that some solicitors are employed[1] and that some business men rely chiefly on friendship in soliciting funds, and expect to be used in the same way in return. But we are convinced that most contributions in non-federation cities are solicited by means which add something to the giver's knowledge of the activity represented, and to his interest in it. It is rare, for example, that appeal letters do not contain descriptive folders or booklets. Our opinion receives confirmation from the following statement made by Roscoe C. Edlund, director of the Baltimore Federation, and previously connected with the Cleveland Federation, regarding the general understanding of social work in Baltimore before the Federation had begun its educational work there:

> We start in Baltimore with the advantage that the newspapers are already giving space to social news because a large enough part of the community is interested to make it worth while. The amount of space given to social news in Baltimore newspapers seems greater than it is in Cleveland, where the Cleveland Federation has been carrying on co-operative publicity for some three years past. Despite this Federation activity in Cleveland I think fewer people really have an intelligent understanding of social work than in Baltimore. Of course this is not all a newspaper factor but depends upon other factors as well.

[1] It should be noted, however, that only eight of the 41 Cleveland organizations studied by the Chamber of Commerce committee were employing solicitors or financial representatives at the time the Federation was formed.

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Undoubtedly one of the most powerful of the other educational factors in Baltimore, as it has been in an increasing number of cities, is the large number of volunteer workers certain societies have enrolled. Some of them, because of their double contact—with the live facts of the work, on the one hand, and with their well-to-do friends, on the other—bring an important financial asset to their societies. We are perfectly sure that educational work of the most effective sort accompanies the requests made for funds by the members of this growing and loyal army. In the five years ending in 1914 forty per cent of the funds for general work of the Boston Associated Charities were raised thus by its 17 volunteer financial secretaries.

Solicitation in non-federation cities, we believe, is not less educational than where federations exist; exactly the reverse is ordinarily the case. In fact one of the greatest dangers in the federation plan lies right at this point—the danger that there will be a loss of information and of interest on the part of former contributors, due to the necessarily less personal methods of money raising, and more important, the danger that for the same reason federations will be unable to develop such interest in the new contributors which the next generation is to produce.

Interest in social activities must be created and gradually enlarged or social education will not keep pace with social needs. Except where interest already exists it is difficult for the most skilful publicity to compel attention. The most favorable time to develop that interest is the moment when decision is reached to give or not to give, or how much to give. Under busy, modern conditions, most persons' social thinking, at least their more careful social thinking, will be done at that time. It is true that the number is increasing of those who are giving voluntary service and whose social thinking is therefore more continuous. But we can hardly hope that this number will ever even approximate the number who can and should have a share in social work through giving to it. Under federation there is usually but one period of financial decision each year. The Salt Lake City Federation advertised this fact boldly in the following phrase printed in large capitals at the close of one of its appeal letters:

Less than five minutes of time and one contribution covers your charity business for the year.

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A statement of a somewhat similar import regarding the Cleveland Federation appeared in 1916 in the *Survey* to the effect that "well-to-do men were willing to give more if they could sign one check and have done with it." Under the unfederated system periods of financial decision are frequent. They occur whenever an appeal is received to give to a particular cause—either a letter appeal, accompanied by a folder in which its aims and accomplishments are explained, or a personal call from some one—a friend it may be—who is close to the work, either as an employee or as a volunteer, and is thus able to talk about it effectively. Financial necessity impels the organization to see that its story is told at such a time in the best possible way, and the necessity for decision renders the mind of the potential giver more ready then than at any other time to give attention to the story. We believe that it is through the joining hands of these forces, the one economic and the other psychological, that the largest number of people during the past generation have received their social education.

By contrast, direct financial contact is destroyed between a federation giver and the object of his gift. A barrier, immunity, is set up between those who are afire with the facts regarding a given activity and those who need to be kindled with their enthusiasm. In solicitation for a federation it is difficult for the story of what is being done to be told by those who are doing it. They are ordinarily on the campaign teams, but are not supposed to solicit designations for their particular work. Mr. Norton writes that soliciting designations in campaign time is not forbidden in Cincinnati, and, in fact, only one federation, so far as we have noted, specifically forbids it. But it seems clear that the representatives of each organization are morally obligated not to emphasize its activities above the others. The tendency is therefore for the stories of 12, 20, or more organizations to be told at once, or for the story to become one of general social need, and the contribution to be as general as the story—a lump sum given to the undesignated fund. A well informed correspondent from Denver who has seen immunity in operation for years writes convincingly on this point as follows:

People who are deeply concerned about the need of nursing for the sick poor, for instance, should preach visiting nursing in season and out, and they would get

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people interested in visiting nursing and would get the funds to do it. Those who are touched by the needs of the aged should preach the needs of the aged, and if they keep at it diligently the community will presently know something about the needs of the aged. The central budget plan, in my opinion, puts people as far as possible from the heart of the need.

Immunity is the feature of the federation plan which is chiefly responsible for the situation here criticized. It is significant, we think, that the Salt Lake City Federation, in which immunity has been most emphasized, as indicated by the quotation on page 45, lasted but a single year. Where a federation has been well managed, as in Cleveland and Cincinnati, there is recognition of the danger that inheres in the loss of contact which immunity necessitates, and efforts have been made to overcome it (pp. 163 and 164). Both Mr. Williams and Mr. Norton, the latter till recently director of the Cincinnati Federation, believe that loss of contact is more than compensated by their federations' organized publicity, and Mr. Williams at least believes that it can also be offset through the substitution of contacts specially stimulated or created. In Cleveland, therefore, institutions have been urged to have visiting days, and all organizations have been encouraged to keep in touch with their contributors by means of meetings, non-financial communications, and otherwise. But in the absence of financial necessity for making such contacts one would expect them to be neglected, and this apparently is what has happened in Cleveland. A correspondent who is in a favorable position to know the facts, and who is in favor of the federation plan, writes:

There has been a noticeable tendency on the part of the constituent members of the Federation to neglect effort to enlighten and interest their contributors. Possibly, however, a better way to state it is to say that few of them have as yet invented new ways of keeping in touch with their contributors, which will conform to the conditions and advantages of membership in the Federation.

In Cincinnati, for a while, for the sake of increasing personal relations between organizations and givers, each organization as well as the Federation sent an acknowledgment of each designated gift. But this practice was discontinued because protests were received that it was a waste of money.

Organized publicity is not an adequate substitute for personal contact. Certain federation officials believe that while there may be a loss of interest in particular forms of work and of information

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regarding them,[1] contributors have obtained in place of this an interest in the social program as a whole,[2] and therefore an intelligence regarding it which makes them more valuable assets to the city than previously. Mr. Norton is doubtful whether the interest of most givers can be specialized; they are benevolently inclined and want to give simply to "charity." This does not appeal to us as a sound psychological basis for a contributor's interest. With most people interest begins with what is near at hand and concrete, and the broad general interest referred to is strong and permanent only when it is the outgrowth of an earlier interest that was definite and concrete. It is not interest in particular organizations that we wish to see developed or retained, but interest in the particular services they represent—the particular evils they are attempting to remove.

This leads us to state our disagreement with a fundamental assumption of the undesignated fund—*i. e.*, the assumption that givers have usually neither time nor ability to inform themselves regarding the merits or needs of the several forms of work, and that therefore it should be made possible for them to leave the distribution of all or a part of their gift to some board of directors in which they have confidence. We have already referred to the possible ultimate result of such an arrangement upon the development of a city's social work. We are interested here only in its effect upon the giver. From that standpoint its influence seems to us to be wholly in the wrong direction. It may be too much to say that through the device of the undesignated fund the giver is encouraged to let the federation do his thinking for him, but it certainly is true that the mere existence of such a fund makes that course an easy and natural one. At the very opening of a leaflet used by the Baltimore Federation in its most recent campaign those solicited were asked: "Do you want to be certain that your gift to charity reaches those who need it most?" The Federation then urged that a check be sent marked "Undesignated Fund," and explained that:

[1] A federation secretary stated recently that under federation there is an "inevitable tendency to lessen the interest felt in the work of individual societies."

[2] The secretary of another federation writes: "The number of important social problems is not so great that a vital interest in each might not be developed in the average citizen, while it is impossible under the present conditions to cultivate such a personal interest in the ever increasing number of agencies."

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"The names of the men who comprise this Board [the Board of Award] are sufficient guarantee of the wisdom of the distributions." We see no escape from the conclusion that by such methods a tendency is stimulated which means less thinking on social matters by most existing givers, and the failure of most new givers to learn to think socially at all.

We recognize the fact that a man who conscientiously gives all he can may prefer not to designate, for the reason that if the federation does not secure sufficient funds for all it can better apportion the total than he can, while if it does raise enough for all, his designation amounts to nothing except the satisfaction of giving in the direction of personal interest. In fact, designation implies a doubt on his part regarding the success of the plan in supplying each organization's full needs. Undesignated giving may, therefore, be due to worthy *motives* and to confidence in the plan of federation. We believe, nevertheless, for reasons outlined above, that the *results* upon the givers will be unfortunate.

From figures previously quoted it appears that in all but two of the federations more than half of the money is undesignated. Furthermore, the tendency seems to be toward an increase in the proportion so given (p. 102). More significant are the figures shown on page 254 regarding the number of designators to each organization in certain federations, in comparison with the number of contributors each organization previously had. The figures are quite incomplete, but they show that about as many organizations have had losses as have had gains. Some of the losses have been large. In each federation city for which a report has been received from the associated charities, or regarding it, that society has had a loss in this particular. These losses, in the four societies for which there are figures—those in Oshkosh, Cincinnati, Baltimore and Erie—were respectively 32.4, 52.2, 62.6 and 81.1 per cent. The same situation is probably true of the Cleveland Associated Charities though no figures are available regarding it (p. 175).

Two strong Cincinnati organizations write that, in their judgment, a decrease in designations should not be regarded as indicating a loss of interest. In many cases, possibly in most cases, this is true. Nevertheless, the fact stands that any organization in regard to which such a shrinking goes on has a continually smaller

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group identifiable as being particularly interested in its work. Efforts to increase the interest and education of those who have already shown interest through the fact of contributing—such methods as the distribution to them of bulletins of the type now published by over 20 associated charities—if they are made at all, must be confined either to this continually shrinking group or directed to those who were in the group before the federation was formed. It is of course possible, in order to reach those particularly interested, to direct such educational efforts to the entire number of contributors to the federation, but the expense of such a step makes it out of the question, except occasionally.

Giving entirely to the undesignated fund has caused difficulty in several cities because such givers cannot be regarded as "members" of particular organizations—to be invited to the annual meeting, to be asked to vote for the organizations' officers, board members, etc. This difficulty was greatest in Elmira where, because almost all money has been undesignated during the Federation's six years, membership in the various organizations has practically ceased to exist. The members of the several boards of directors are almost the only members that remain. To meet this situation a few federations allow their organizations to solicit for members, if the fees are not more than a stated and usually small sum. But it is clear to us that this cannot be an adequate solution of the difficulty, for membership fees, except in the case of those who do not give to the federation, must be collected as extra sums from people who are usually not able to give very largely. And there is evidence from at least one federation that in practice it has not proved an adequate solution.[1]

A federation secretary states that the emphasis we have placed on interest in specific forms of work is exaggerated. He writes:

> That personal interest has been an important factor, and is yet, we cannot deny, but I am becoming more and more skeptical as to its real value, and as to the extent of its influence in non-federated cities. If it were really a vital factor, there would not be the losses to associated charities in federated cities when givers are given the opportunity to designate.

To some extent, it is true, the losses referred to represent those

[1] See page 179, regarding the adjustment of a quite different sort which the Erie Federation found it necessary to make, in spite of the fact that the organizations in that Federation had had the privilege of soliciting members at a maximum fee.

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former associated charities' contributors whose interest was least—the ones most easily detached from their old affiliations. But in our judgment most of the losses cannot be so explained. They are a result rather of the urging of certain federations that gifts be undesignated, or of the feeling referred to by two Cincinnati correspondents on page 49.

The tendency to separate the giver from the object of his gift is shown again by the failure of many organizations to continue the printing of annual reports. One organization, and a very good one, writes during its federation's first year that since its usual annual report was not needed for financial purposes, there was a feeling on the part of its trustees that the expense it entailed would not be justified. Early in its history the Cleveland Federation announced that one of the advantages of the plan was that the Federation's year-book, in which were contained brief reports of the 55 organizations, represented an economy in printing. Thus the Federation, at that time at least, felt that separate reports for the organizations could wisely be discontinued. As a matter of fact most reports have not been discontinued, though a good many organizations no longer issue them (p. 161).

In our judgment federation year-books, while valuable for reasons stated above, are an unsatisfactory substitute for reports printed by each organization. Their substitution seems sure to lessen the interest of many who have previously been giving to particular organizations. Similarly an opportunity is lost to increase the interest of those new givers whose incipient interest designation reveals. The Federation's year-book, with its many-sided message, comes to contributors but once a year. But annual reports of the various organizations appear on different dates, and from that fact alone have a chance to make more of an impression when they are received by contributors.

Regarding the educational accomplishments of federations, two lines of inquiry were followed. In the summer of 1916 letters were addressed to the constituent organizations of most federations asking whether more people were particularly interested in their work, and whether their former subscribers had become more or less deeply interested. At the suggestion of Mr. Williams, letters were sent also to representative men, not connected with the federations,

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in Cleveland, Cincinnati, Erie and Baltimore. Each was asked whether the public's understanding of, interest in, and responsibility for the city's social needs had increased more rapidly than they were increasing, if that was so, before the federation was formed. The replies to the second inquiry were meager and in general not very illuminating, the indications being that the correspondents were not specially informed regarding the matter.[1] It is evident also that the replies received to the first inquiry—from the federated organizations themselves—were often based upon no exact knowledge, and in some cases upon too short an experience to be of much value (pp. 190–192). The most that can be said regarding the Cleveland, Baltimore, Erie and South Bend organizations is that most of the replies do not claim increased interest. The Cincinnati replies, based upon about one year's experience, are the only ones that clearly report increased interest. The few Dayton replies suggest a loss in interest more clearly than a gain. In Denver the inquiry was necessarily worded a little differently because the pre-federation days were thirty years ago. It was the opinion of most of the few who replied, though not very clearly expressed, that there was less interest than there would have been but for the Federation.

Regarding the situation in Cleveland considerable weight should be given to the statement of the treasurer of the Federation, especially in view of the statement quoted from him above regarding the lack of assurance that financial success has been achieved there. He writes, referring, in part, to the Federation's educational work:

> It is along some such lines as these that I think federation has been most successful, and is justifying its continuance.

On our own initiative a further effort was made in this direction by sending the inquiry suggested by Mr. Williams to several representative social workers in each of the cities named. The rather full replies received cannot be satisfactorily summarized.[2] The

[1] Four men were addressed in each city—the superintendent of schools, the city librarian and the editors of two newspapers. No replies were received from Cleveland. Two replies were received from Baltimore, both to the effect that the writers were not sufficiently informed to answer the questions. Of the two replies from Cincinnati, one is quoted on page 220 and the other writer felt unable to express an opinion. The three replies from Erie are quoted on page 227.

[2] This inquiry (p. 213) related to social as well as educational work. The answers, so far as they relate to the former, will be considered later.

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testimony of the three Cleveland social workers is in opposite directions (p. 213). The four who replied from Baltimore[1] and Cincinnati agree that there has been an increase of understanding and interest along the lines mentioned in the inquiry (pp. 217 and 219), and the one Erie social worker addressed replied in the same vein (p. 227).

Our general conclusions regarding the educational side of the question will be found on page 63.

[1] One of the two Baltimore correspondents "scarcely knows" whether the Federation has helped, but is "inclined to think" that it has.

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CHAPTER IV

THE SOCIAL SIDE

FEDERATIONS are undoubtedly an important means for obtaining co-operative action in social work. Controversy at this point is due only to the fact that certain federation officials assert that important, effective, social co-operation is impossible through any other means. We are sure this is not true, but before discussing the point, we must refer to the social accomplishments of certain federations, both in organizing general community work and in raising the standards of federated organizations.

The imposing list to the credit of the Cleveland Federation is shown on pages 210 to 212. It includes the organization of a welfare council[1] (since last December amalgamated with the Federation itself) through whose influence or under whose direction there have been made surveys of cripples and of outdoor relief, the appointment of an unemployment commission, the establishment of a community Christmas celebration, the creation of committees on crime prevention and feeble-mindedness, as well as the organization of protests against unsocial legislation. The Federation also reports co-operation with the city Department of Public Welfare and the Mayor in city-wide welfare work; with the federated churches and the Catholic diocese in the establishment of an annual social service Sunday; with the Western Reserve University in the plan for a school of applied social sciences; with the public library in free lectures, etc.; and with the public schools which have used the Federation's year-book in civics classes.

The "standardization" activities of the Cleveland Federation make an even longer list. Conferences have been organized in

[1] The formation of this council, as well as a number of the other advances included in the list, was accomplished by the Federation in co-operation with other social agencies public and private. It has been stated by certain correspondents that most of these advances would probably have been made even if the Federation had not been formed.

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which each organization gets the benefit of what has been worked out by the best in the group. They have had to do with illegitimacy, buying, working girls' homes, the handicapped, hospitals[1] and settlements. Assistance to organizations has also been rendered by the Federation's advisory committee and the "group committee." Accounting methods have been studied, and analyses of expenditures have been made so that those doing a given form of work can be compared with each other. The heating equipment of the institutions has been examined. Organizations have been stimulated to use the confidential exchange operated by the Associated Charities, and the work of the Associated Charities itself was made the subject of an exhaustive study. For a few months in the Federation's fourth year a special staff member was employed to give his entire time to developing means by which the work done by the various organizations might be improved.

For the important accomplishments of the younger federations in Baltimore, Cincinnati, and Erie, and the recent steps in this direction taken by the Denver[2] Federation the reader is referred to pages 215, 218, 222 and 226.

In comparison with this record, certain of the sponsors of the federation plan allege that other forms of joint social activity have accomplished but little. Thus Mr. Norton writes:

> Duplication in family work has been an open sore since the beginning of philanthropy in spite of efforts to control it. . . . With such a tangle of duplicating lines is it any wonder that standards of work in every field of social endeavor range all the way from very good to very poor with a too frequent emphasis on the poor?

It was stated in Erie that the insufficient co-operation obtainable under the old régime was one of the reasons for the formation of the Federation. Several federations refer also to the loose bookkeeping methods found in certain organizations when the federations were formed.

[1] The hospital conference or council has an important record of accomplishments in improving the methods of work of its institutions. It now employs a secretary and has become a member of the Federation.

[2] In the 29 years of the Denver Federation's history no social work of importance was undertaken until about two years ago, when a comprehensive survey was made of the work of all federated organizations. Since that survey real progress has been made, as is indicated by the employment of a trained social worker as assistant secretary of the Federation for one year, and the recent employment as secretary of the former secretary of the Erie Federation, a man who has had a number of years' experience in social work.

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We shall refer in a later paragraph to the accuracy of this picture of conditions in non-federation cities. At this point it is necessary to note that many of the federations have done nothing of importance to remedy the condition described. Outside of the five federations named above, the social work of federations has been almost negligible.[1] To make up their budgets it has been necessary in most federations to give some attention to the accounting methods that the federated organizations have followed. In Dayton the Federation has operated the confidential exchange, and after a survey of the organizations conducted by an experienced social worker efforts were made, regarding which a degree of success is reported by the Federation, to get its recommendations put into effect. And in most cities co-operation has undoubtedly been increased by the mere meeting together of representatives of various organizations which federation necessitates. But if, as Mr. Williams holds, federations are to stand or fall when measured by their social accomplishments, most federations have too meager a record to justify any claim of success.

It is clear that this considerable neglect of social work by federations is not entirely due to their failure to appreciate its importance —for almost all federations announced their intention to engage in it—but to a considerable extent to the fact that time and funds have been lacking to undertake it (pp. 221, 228, and 230). The expense of social work by a federation is partly due to the necessity for employing a trained worker—one that other social workers in the city can look up to as a leader. In the federations that have been successful in social lines executives that meet this standard, or at least approximate it, are now employed, but in four of the federations studied[2] no executives have been employed, and in three others[3] the executives had had no social experience before undertaking federation work.

In the summer of 1916 an attempt was made to get reports from

[1] The remaining federations referred to are those in Birmingham, Dallas, Dayton, Denver for its first 27 years, Elmira, New Orleans, Oshkosh, Salt Lake City and South Bend. The Richmond Federation is not considered in this connection. See page 149. For an explanation of the situation in Dallas see page 221.

[2] Those in Birmingham, Elmira, Oshkosh and Salt Lake City.

[3] Those in Dayton, New Orleans and South Bend. The same is true of the Milwaukee Federation.

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the affiliated organizations in certain federations as to the extent to which they felt they had been benefited by the federation's efforts in social matters. Except in the case of Cleveland the replies were unsatisfactory, for the experience had apparently been too short. A majority of the Cleveland organizations report such assistance (p. 214), but usually the only definite reference is to the fact that co-operation has been facilitated or business or bookkeeping methods improved. The quite limited replies from Baltimore, written when the Federation had had an executive employed for only a few months, indicate that some assistance has been received (p. 217). Most of the Cincinnati organizations report assistance, but particular reference is usually made, as in Cleveland, only to co-operation and business methods. Better understanding by the affiliated organizations of each other and of social conditions in the city were also mentioned by two or three organizations (p. 220). Two of the three Dayton organizations that replied report assistance, one referring particularly to the avoidance of duplication, and the other to the closer contact with other organizations (p. 222). Only three of the seven Denver replies indicate that assistance has been rendered (p. 225), but in regard to the Erie Federation six of the nine replies indicate that help has been given. Only two of these, however, specify assistance outside of business methods or co-operation. Most of the South Bend organizations that replied report only financial assistance from the Federation (p. 230).

As a part of the special inquiry sent to representative social workers in Cleveland, Erie, Cincinnati, and Baltimore, each one was asked whether in his opinion the extent and effectiveness of "co-operation between the affiliated organizations had increased under the federation more rapidly than it was increasing, if that was so, before the federation was formed." The replies expressed nearly unanimous conviction that the gain has been important (pp. 213, 217, 219 and 227).

There is no doubt that the federations have been social forces of importance in these four cities and recently in Denver also. Moreover it is probable that the tendency toward a neglect of social work shown elsewhere might be overcome. But if it is overcome a clear vision of the need and importance of the federation's social leadership is necessary and a vigorous determination to uphold it.

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In the opinion of Francis H. McLean, general secretary of this Association, a force is set in motion by federations that tends to retard social progress. This is the approval a federation must give to the financial needs of its organizations. When it announces its budget, certifying that such and such sums represent what the respective organizations should have, or could use with social advantage, it tends, in Mr. McLean's words, "to crystallize the *status quo*." He adds:

> To change a *status quo* which a federation has once approved is a difficult thing. It is hard to cut out what you have once recognized, or fundamentally to change it. It will take a pretty desperate effort for a federation to declare boldly: "Our children's institutions must receive $30,000 less next year than they did last year." In some instances that would mean civil war practically.

In spite of the belief to the contrary expressed by Mr. Norton, we agree with Mr. McLean that there is real danger at this point. And it is hard to see how it can be avoided, for budget making is an essential of the federation plan.

The material gathered in this study gives no basis for an answer to the closely allied question whether federations give new lease of life to low standard organizations. We are sure, however, that such organizations are members of most federations, and the fact that their work is announced in the federations' campaigns and in their publicity cannot but establish them to a degree in the estimation of persons who may previously have been in doubt regarding them. The best federations include such organizations in order that they may be better able to influence them to higher standards of work than would be possible if they were left outside. We recognize that certain federations have important accomplishments to their credit in this line, but to the extent that such accomplishments are lacking, a dissolution is retarded which in the type of organizations we have in mind is altogether desirable.

A characteristic of most federations has been their close relation to organized business interests. Local commercial organizations have usually been active in promoting federations (p. 70) and in four cities they name a part of the trustees (p. 74). This activity has come about partly through the desire of business men to be shielded from excessive solicitation and to have a body to which they may leave the distribution of their gifts, but partly also through

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the fact that many of these men wish to be of service in social matters. In our judgment this interest is a social asset to the federation cities in which it is true.

The tendency seems now to be setting toward elimination of appointments to federation boards by commercial organizations. Two of the more recent federations, which are also two of the strongest—the Cincinnati and Baltimore federations—provide for no such appointments. The Cleveland Federation was reorganized in December, 1916, on substantially the Cincinnati lines, and a similar change is now being considered in Erie. It seems to us the preferable form of organization.

Fear has been expressed that where connection with commercial organizations is close, a control of social work might become established that would hamper its progress in case, at any point, the necessity for social development should clash with commercial interests (p. 77). Neither in the federations in which connection with commercial organizations exists, nor in any of the others, has any indication been observed that the tendency feared has made itself felt. With the exception of one of our members, we do not share this fear. There is danger of a different sort, but in our judgment it need not be a serious one.[1]

Considering now the conditions in non-federation cities (with which federation accomplishments are contrasted) we deny that they are so hopeless, until federations arrive to set them right, as is indicated by the passages quoted on page 55. For example, the pre-federation situation in Cleveland is referred to in the following paragraph quoted from the chairman of the Chamber of Commerce Committee:

> They [the various institutions] are doubtless very efficiently attacking these different parts of the big problem as separate institutions with distinct boards. In many ways they are already co-operating efficiently, as distinct organizations, but they still continue to lose the value of co-operating with each other when it comes to the matter of sitting in the anteroom of the large giver's private office.

More generally we quote with approval the following passage from page 200:

> It is of course true that constructive community programs have not been lacking in unfederated cities. Attention is called by representatives of such movements in

[1] The experience in San Antonio suggests dangers to which social work may be subjected at the hands of a non-socialized chamber of commerce. See page 242.

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these cities to the housing, child labor, tuberculosis, juvenile court and recreation developments in many unfederated cities, undertaken co-operatively in most cases by the local organizations, stimulation and assistance being sometimes, but by no means always, given by national organizations in the various fields—movements which have frequently resulted in the formation of special local associations to further the reforms thus initiated. Those who still stand by the unfederated régime believe that the sum total of such community movements is considerable, comparing most favorably in every point, except possibly the matter of speed of accomplishment, with what is recorded in this line as resulting from federated effort.

One member of our Committee, Mr. Johnson, contributes the following regarding what has been accomplished in Boston:

In Boston private societies have joined, time and again, in co-operative undertakings. Our admirable desertion and non-support law was obtained through such a getting together for study, followed by legislative propaganda. The Boston Social Union is a voluntary union of settlements for the purpose of avoiding duplication between units in the settlement field, of developing common standards of work, and of undertaking joint efforts for community betterment. The League for Preventive Work is a union of twenty case work agencies for the purpose of making their experiences and records the basis of determining and meeting social needs, case work thus to be the basis for preventive work.

Similarly, it will hardly be claimed that the standards of social organizations in Cleveland, after its four federation years, are higher than in all cities without financial federations. In many of the latter there is a very high quality of work. It is a fact that conscious standard raising has been going on for years in non-federation cities. Sometimes it has operated informally through regular case conferences of which representatives of case working societies are members, sometimes through special group conferences, such as that on illegitimacy in Boston which has had so encouraging a career during the past five years (p. 281) and the similar conference in Milwaukee, and sometimes through more formal alliances of social agencies known usually as "central councils" (p. 208). These councils, whose accomplishments are summarized in Appendix III (p. 273), may be termed social federations in contrast to the financial federations here studied. The contrast is well brought out in the article by Mr. Norton previously referred to, and in one by Mr. McLean in the *Survey* for June 2, 1917.

In one city, Milwaukee, in which a central council has been active and has employed a secretary, a federation has recently been formed. But that this step was not taken because of dissatisfac-

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tion with the accomplishments of the council seems to be indicated by the fact that both organizations are now working side by side, the federation—known as the "Centralized Budget of Philanthropy"—confining itself to financial work.

Social federations rely exclusively for their influence upon moral suasion. They must convince before they can swing. In so far as this is true of financial federations, they have no advantage at this point over social federations. It is claimed, however, that financial federations have a prestige which gives weight to their recommendations. In a recent discussion at the National Conference of Social Work two federation representatives spoke of "controlled co-operation," or the "control" a federation has when it desires to correct the work of an affiliated organization. German efficiency was cited as illustrating the value of "central control." Mr. Norton, a third federation representative, stated that through federation it is possible to "make organizations work in harmonious relations," and that thus "speed" is possible in reaching the end in view.[1] In spite of these expressions federation officials deny that in their program there is any use or even suggestion of compulsion or undue influence. It is clear, however, that in dealing with their affiliated organizations federations are always conscious of the power they possess through their control over the undesignated fund, and that for this reason they are under temptation to use methods in dealing with their federated organizations which would not be used otherwise. In Denver the possession of this power must be held responsible for the methods used by the Federation a year or so ago in its attempt to raise standards—methods referred to by a number of correspondents as arbitrary, tactless, etc. They caused the withdrawal of several organizations—which have since returned—and the decided antagonism of others. Usually, however, in so far as federations have undertaken so delicate a task as

[1] Mr. Norton writes: "The control I want to bring about in social service is the sort which makes the voters of a city discuss a problem, then vote upon it and be guided by the decision reached. In other words, we are seeking to put into separate organizations a sense of their obligation towards other members of the group." An important part of this control is budgetary control, as a result of which each organization, at the beginning of the year, accepts the budget agreed upon by the group through conferences of representatives. But budgetary control apparently relates only to the *extent* of each organization's work, not to its *quality*. It may eliminate duplication but it is difficult to see how it can be of any other assistance in the raising of standards.

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standardization, they seem to have moved with about as much caution and tact as mere social federations are compelled to observe. But under such circumstances it is hard to see the advantage in this particular which financial federations are assumed to possess.

It is true that certain of those who are active in the social federation where standardization has been most successful, the central council in St. Louis, feel that something more than moral suasion may be needed in emergencies; hence the agreement that body has with the local commercial agency that if the council is unable to gain the co-operation of a constituent organization in the improvement of its standards, the commercial agency, at the council's request, will refuse to endorse such an organization for the solicitation of funds. Pressure of this sort, however, has never been applied.

Our study leads us to agree decidedly with the Cleveland social worker who writes that "centralization in community planning and co-ordinating social work should be developed" before any attempt is made to establish centralized money-raising, and with W. A. Harris, secretary of the Erie Federation, who writes:

> We do not feel justified in recommending immediate organization of financial federations in other cities. We are pioneers in an experiment. I believe thoroughly that the federation idea is right. . . . After my experience with the Cincinnati Federation and the one here, I feel quite convinced that the safest course is to follow the Cincinnati plan of organizing and conducting the federation for a few years on strictly social service lines, taking on money-raising as a part of the general community work after the value of the federation has been demonstrated from the larger standpoint.

Mr. Edlund, of the Baltimore Federation, believes that this order of development is desirable where possible. Mr. McLean has well expressed the same viewpoint as follows:

> If federation is contemplated, the development of standards of work should precede it, not follow it. The further the St. Louis Council goes in the direction of developing standards the more strongly convinced are the leaders, with one exception, that it is no time yet to talk federation, even if federation is ultimately wise. There is an immense amount of work to do, growing bigger each year in arriving at understandings and co-ordination.

Our general conclusions regarding this phase of the problem will be found on page 64.

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CHAPTER V

CONCLUSIONS AND RECOMMENDATIONS

OUR general conclusions are as follows:

1. Measured by total contributions, financial success appears to have been usual in initial federation years except where there has been inadequate preparation and organization. Financial success is much less surely shown when later years are taken into account, and failure is indicated in the one city where there has been a long experience. But the gains achieved have been based almost uniformly upon methods of financial work which in our judgment do not tend to build up as stable a constituency as most organizations in non-federation cities now have. These methods—the granting of immunity from solicitation, the use of whirlwind campaigns, and the encouragement of undesignated giving—are discussed on pages 17 and 18, pages 24 to 26, and pages 43 to 51. Moreover, many and wide variations exist in the extent to which the constituent organizations have or have not shared in the total gains, this fact resulting, in some federations, in varying degrees of satisfaction with the situation. Finally, a system of reapportioning the community's gift income among its organizations has been set up, regarding the ultimate benefit of which we have grave doubts (p. 34). In most federations the cost of collection has probably been reduced below what it might have been under average unfederated conditions, but the gain has not been a marked one.

2. On the educational side there has been an undoubted gain in certain cities, due to their federations' publicity efforts, and some gain in all cities to the extent that joint appealing makes the breadth and variety of social work better realized. But even in the federation cities that have done the best educational work we recognize a tendency, which seems to us inevitable, toward a loss of interest resulting from the lessened contact between givers and

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the objects of their gifts, and we very much doubt whether this has not more than offset all that has been gained by organized publicity and by the one educational element in joint appealing just referred to. A failure to develop interest makes difficult the development of social intelligence, with unfortunate results on every side. We recognize that in most federation cities there have been increases up to date in the number of people who are interested to the extent that a campaign contribution shows. But because these increases have been gained by whirlwind campaign solicitation we feel it is not yet safe to base any important conclusions upon them.

3. On the social side the gains of the federations that have attempted social work have been considerable, and usually so far they seem not to have been offset by losses, other than the important one discussed on p. 58—the retarding of progress in particular lines which we believe must follow from a federation's approval of budgets. The fact, however, that so many federations have neglected social work indicates a tendency which grows out of the imperative character of the financial problem which it is a federation's first duty to solve.

In weighing the considerable testimony that indicates gains in federation cities along educational and social lines, we have kept in mind the fact that in many of these cities modern unfederated methods of co-operative effort have never been developed. Comparisons of each federation with its own earlier situation are therefore not altogether conclusive.

Alongside of the facts which we record regarding federation cities, we place our conviction that the existing order has not been weighed in the balance and found wanting. In many cities in which no federations exist progress has been steady and important, both in educational lines and in organized co-operative social work —quite as important, even though possibly not as rapid, as that which has taken place in certain of the federation cities.

Throughout our study we have been conscious of the inadequacy of the evidence available, this being chiefly due to the short history that most federations have had. The only federation whose experience has been adequate from this standpoint, the Denver Federation, was unwisely managed until very recently. When

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federated organizations in that city were asked whether they would recommend the formation of federations elsewhere, the weight of advice received favored delay by other cities (p. 239). The advice was almost equally balanced from organizations in Cleveland (p. 233) where the Federation, with one exception,[1] has had the next longest history. From Baltimore (p. 237) and Cincinnati (p. 238) only six and three organizations respectively replied to the inquiry, and only one from each city advised others to follow their example at once. The four Dayton replies expressed no very clear opinions in one direction or the other (p. 238). The Federation in South Bend is the only one from whose organizations a clear preponderance of advice was received in favor of the formation of federations elsewhere at once.[2]

We who are in non-federation cities are indebted to those who have been brave enough to be pioneers in this important matter, for it is only through experiments that the plan can be tested. Our recommendation, however, to those for whose sake primarily this study has been made, the social workers and others in cities in which the formation of federations is being considered, is very positively against any adoption of the plan *at present*. Fourteen cities are now experimenting with it under quite varying conditions and with several different types of organization. We feel strongly that this is experimentation enough.

Whether the federation plan in any city means a net social advance or the reverse is yet to be demonstrated. No demonstration, moreover, can be made in the next two or three years. The more far reaching effects can hardly show themselves in that time. It must be recalled also that the forming of a federation means an immense amount of work, which is wasted unless the federation accomplishes more than the constituent associations could do. Unless this result is very probable, federation should not be undertaken.

If those responsible for decision in any city are convinced that federation may safely be tried, a choice must be made among the several quite different plans of organization now in operation.

[1] Only two replies on this point were received from the Elmira organizations, in which city the federation plan has been tried longer than in Cleveland.

[2] The inquiry was not put to organizations in the Erie Federation. Their replies to an inquiry relating to disadvantages encountered, if any, are shown on page 240.

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It is important in this connection to recall that as a result of wide advertising of the Cleveland Federation, and of missionary work on the part of its officials in visiting other cities and presenting the subject, the Cleveland plan of organization was imitated in most of its details in Dayton, South Bend, and Erie, and to a considerable extent also in the reorganization of the Denver Federation, and that now the original Cleveland plan—so far as relates to the Federation's scope and the selection of its governing board—has been discarded by its sponsors, and another substituted regarding which much optimism is felt that it will bring the improvement needed. The fact that after an experience of four years the Cleveland plan needed to be radically and fundamentally changed is as important as any one thing that can be said about it.

We recognize that many of the federation difficulties that we have discussed, or recorded in the appendices, are due to mistakes of management. The secretary of one of the large federations states that "no important movement has suffered more from hasty organization, inadequate preparation, and amateurish leadership than the federation movement." In reaching our conclusions we have aimed to distinguish between mistakes and essentials. But this distinction is frequently difficult in the early days of a movement. For instance, the secretary just quoted holds that immunity though universal is not essential to the federation plan. There are also the "near essentials" to be considered—courses of action, sometimes unfortunate, which appear in even the most socialized federations, but which possibly could have been avoided. Our report is for the benefit of those who are considering federation. Some of them will undertake it. For them, as well as for those who postpone the experiment, we believe it is important that experiences of this sort should be recorded.

It should be remembered that to a considerable extent when an organization enters a federation it burns its bridges behind it. The secretary of one of the large federations writes: "Obviously, after a few years of giving which is almost altogether undesignated giving it will be very difficult to restore designations or even to restore the old unfederated order." This is of course true only if the federation lasts long enough for what we fear are the disintegrating tendencies of the plan upon the organizations' relationship with

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their constituencies, as referred to on page 49, to become effective. It is this that makes an organization hesitate to withdraw from a federation even when convinced that its work is being injured. In the six federations that have been abandoned or suspended there was not time for these forces to operate to any important extent, for the experiments lasted in no city more than a year and a half. In our judgment, this explains the fact that several correspondents[1] from such cities report no difficulty in re-establishing financial relations with their former contributors after the federations were dissolved.

A few months ago Mr. Williams stated that "the biggest obstacle to the success of the federation plan is that its logic is too good—it looks too easy." This is very true. It partly explains the great mortality among federations. Five out of twenty have been abandoned and one other has suspended operations (see pages 154, 244, 245, 246, and 247). The abolition of competition in the financing of social organizations, for the sake of avoiding its waste, is as attractive a proposition in theory and apparently as logical as the abolition of competition in business, which is championed in part on the same ground. But in the social field, whether we agree or not regarding the economic field, there are spiritual and psychological factors which leave doubts as to the ultimate advantage to be derived from giving up a plan of work which has behind it the experience of more than one generation of social workers, in order to adopt one which, according to many who are in a position to know, is still in its experimental stage.

W. Frank Persons, Chairman.
William H. Baldwin.
Fred R. Johnson.
Eugene T. Lies.

July 31, 1917.

[1] Two New Orleans correspondents write to that effect, while one reports "some little trouble in bringing our old friends back in line" (page 148). In Salt Lake City two correspondents report greater difficulty in collecting funds after the Federation had been given up, one adding: "Our subscribers had personally forgotten us." Four others reported no such difficulty (page 151). From San Antonio, however, three of the four organizations that replied refer respectively to their loss of "a large number of subscribers which had cost us some years to secure"; to the fact that "when our regular contributors stopped it was hard to get them to give again"; and to the fact that since the federation collapsed "it has been impossible to raise money to keep the organization going" (p. 152). See also reference on page 154 to the suspended federation in Springfield, Mass.

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APPENDIX I

FIFTEEN FINANCIAL FEDERATIONS

CHAPTER I

ORIGIN, OBJECTS AND ORGANIZATION

1. Introduction. Financial federations[1] exist in the 14 following cities:

City	Estimated Population 1916	Federation Organized
Denver, Colo.	260,800	1887
Elmira, N. Y.	38,120	1910
Cleveland, O.	674,073	1913
Dayton, O.	127,224	1914
Richmond, Ind.	24,697	1914
South Bend, Ind.	68,946	1914
Cincinnati, O.	410,476	1915
Dallas, Tex.	124,527	1915
Oshkosh, Wis.	36,065	1915
Erie, Pa.	75,195	1915
Baltimore, Md.	589,621	1915
St. Joseph, Mo.	85,236	1916
Grand Rapids, Mich.	128,291	1916
Milwaukee, Wis.	436,535	1916

In the six following cities financial federations once existed but have been abandoned, or as in Springfield, Mass., have become inactive:

City	Estimated Population 1916	Federation Organized
San Antonio, Tex.	123,831	1912
New Orleans, La.	371,747	1914
Salt Lake City, Utah	117,399	1914
Birmingham, Ala.	181,726	1914
Springfield, Mass.	105,942	1916
Houston, Tex.	112,307	1916

The five federations formed in 1916 have been in existence for so short a time that, ordinarily, no facts regarding them are

[1] The Committee's definition of a financial federation is given on page 10.

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included in this study. Jewish federations have existed in a dozen or more cities for a number of years, but because this study is limited to general federations, no first-hand information has been collected regarding them. Occasional reference is made to them, however, on the basis of reports that have been published.

2. Origin. In ten of the nineteen cities regarding which this information is at hand it was the local commercial organization that was most active in bringing the federation into existence. These cities are Cleveland, Dayton, Grand Rapids, South Bend, Erie, Richmond, Ind., Salt Lake City, San Antonio, Springfield, Mass., and St. Joseph, Mo. In seven cities—Baltimore, Birmingham, Cincinnati, Elmira, Milwaukee, New Orleans, and Oshkosh —the social organizations seem to have been the prime movers, and in two cities, Dallas and Houston, Tex., the movement was due to the activity of the local departments of public welfare.

In 48 other cities in the United States and Canada the formation of financial federations has been considered or is now being considered. In 22 of these the prime movers were the local commercial organizations, and in 22 others the social organizations took the lead, or individual social workers did so. In the four remaining cities the source of the movement is not known. That the organization of financial federations is one of the recognized activities of local commercial organizations is indicated by the fact that the Chamber of Commerce of the United States has announced that it will furnish those interested with an outline describing the steps taken by the commercial organization in forming the Federation in Erie.

In Dayton, South Bend, and Erie, the local commercial organizations had just been organized, or reorganized, and their part in the establishment of these federations was one of their first activities. In Dayton and South Bend the commercial organizations seem to have regarded this as a popular step and one likely to win support for themselves from the public, if one can judge by the prominent listing of the fact in announcements which summed up the accomplishments of the organizations. In most cities the action of the commercial organizations seems to have been taken after considerable conference with the social organizations. In San Antonio, however, the Chamber of Commerce is reported to have

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forced the Federation upon the social organizations. A somewhat similar situation seems to have existed in Salt Lake City.[1] In Erie when the Chamber of Commerce brought about the formation of the Federation, the members of that body's committee on the subject were most of them members of the board of the Associated Charities. To an extent this may be true in other cities. In Birmingham, the federation of the three leading organizations was effected through the efforts of the executives, impelled to this, they report, by the fact that the business interests of the city were becoming antagonized by too many appeals.

The Cincinnati development is unique. For two years before the joint collection of funds was begun there had been an active Council of Social Agencies in the city. The collection of funds is merely an additional function undertaken by this body on behalf of 21 of its 86 member organizations. A standing committee of the Council is known as the Central Budget Committee. It is made up of one representative of each of the 21 organizations.

In Cleveland a long period of preparation preceded the Federation. Seventeen years ago charities endorsement work was begun by the unusually socially minded Chamber of Commerce in that city. In 1907, with a view to forming a financial federation if that step proved desirable, a "financial survey" of the city's social agencies was made. Federation was favored, but because of industrial conditions it did not seem wise to try the experiment at that time. Two years later, in 1909, a second survey was made. For four years more the subject was discussed, and it was not until 1913 that the federation was formed.

In most other cities, the preliminary steps were few. Only in the case of the Erie Federation is there record of an active preliminary consideration of the subject that lasted over a year. In several cities the federation was formed and began its work before even a tabulation had been made of the persons already supporting the various organizations, and the amounts of their contributions.

3. Objects. An object frequently expressed in the federations' constitutions, literature, etc., is the promotion of city-wide social work. This purpose is declared in various ways by all federations,

[1] A correspondent writes that the societies endorsed by the commercial club "consented somewhat reluctantly to try the plan of obtaining their funds together."

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except those in Birmingham, St. Joseph, and San Antonio. In most cities the increase of contributions is expressed as an object; also greater economy in raising funds, *i. e.*, a reduction in the cost of collection. Several federations aim to increase the number of givers. Several record a desire "to save the valuable time of contributors from the necessary annoyance caused by being canvassed so frequently." The Cincinnati Federation adds that thus an improvement is sought for "in the attitude that givers hold towards agencies." Cleveland expresses it with the catch phrase "happier givers." Dayton wishes to "make it possible for donors, at one sitting and in an intelligent and systematic manner, to determine the amount of their entire subscriptions to all of the co-operating agencies." Certain federations plan to conduct a continuous and definite educational propaganda. Several aim also "to save the time and effort of those responsible for the city's charitable work." At least three federations express their intention to see that funds are distributed more equitably.

It is unsatisfactory, however, to judge the aims of a federation from its constitution or its literature. The constitutions examined show considerable verbal imitation, and the Committee is more fully supplied with literature from certain federations than from others. To each federation, therefore, there was submitted a list of the arguments for the plan most frequently used. These were as follows:

Business men are annoyed by repeated solicitations from various organizations. This will be avoided by federation.

The various organizations can thus more easily raise their budgets, and the salaried workers will be able to give time to their work that is now given to financial matters.

The existing method of competition is wasteful, whether it is conducted through appeals by volunteers or salaried or commissioned solicitors, or through appeals by letters. The saving to be accomplished by joint action is, in effect, an increase in available funds.

Combination for finance facilitates a much needed co-operation, for the elimination of duplication, and for establishing and raising standards of work.

New and therefore larger numbers of people will be induced to give as opposed to the present tendency, which, it is alleged, puts pressure on existing givers to contribute continually larger amounts.

Each organization in a federation can increase its income, and thus be able to do a larger work.

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Most of the organizations, through the federation's activities, will get more and better publicity than they are now able to get independently.

Federation officials were asked, in so far as these arguments were used in their cities, to indicate their relative importance, using numerals 1 to 7. On the basis of the replies received, the following table has been prepared, the arguments, both in this table and in the preceding list, being arranged roughly in the order of their importance, as indicated by the replies.

Arguments for Federation with the Relative Ranks Assigned to Them by Representatives of Each Federation

City[a]	Annoyance to business men from solicitation to be avoided	Easier collection of funds	Competitive finance is wasteful	Co-operation in social work, etc.	More givers	Larger contributions	Social education
Baltimore	1	1	1	1	1	(?)	2
Birmingham	1	3	..	2	..	4	..
Cincinnati	7	4	6	1	5	2	3
Cleveland[b]	1	1	..	..	..	1	..
Dallas	1	3	2	2	2	..	2
Dayton	3	4	2	1	6	7	5
Elmira	4	3	1	6	5	2	7
Erie	1	2	6	3	4	5	7
New Orleans	1	1	1	..	1	1	..
Oshkosh	3	1	5	7	4	2	6
Richmond, Ind.	1	..	..	2	3	..	..
Salt Lake City	2	4	1	3	7	5	6
San Antonio	1	1	1	2	1	2	2
South Bend	1	4	5	3	2	6	4

[a] The inquiry was not sent to the Federation in Denver.

[b] From the following statement from Mr. Williams regarding the Cleveland Federation it has been assumed that the three arguments here marked "1" were chiefly responsible for the original consideration of the subject: "It is impossible to say which of the various arguments counted the most. The initial investigations were begun quite as much by reason of the increased difficulty experienced by the organizations as by the annoyance caused givers."

The purposes of Jewish federations[1] are very similar to those of the general federations. In the former, however, the emphasis is somewhat more upon the financial side of the work.

[1] See "What Federation in Interior Cities Can Teach New York," by Morris D. Waldman.

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4. Organization. The federations studied vary much in their form of organization. From this standpoint they may be divided into five groups: six have what may be called a "triple control," under directors chosen by the local commercial organization, the affiliated organizations themselves, and the contributors; one has a "dual control," the same as the preceding, except that there is no appointment of directors by the local commercial organization; four have a "single control" by the representatives of the affiliated organizations; two a "single control" by representatives of the city's commercial organization; and two others are not classifiable in the above terms.

The federations with triple control are those in Cleveland,[1] Dayton, Denver, Erie, South Bend, and the now inactive federation in Springfield. In their essential features these federations are all modeled upon the original form of the Cleveland Federation. The directors who represent the affiliated organizations are elected by delegates of those organizations summoned to a meeting for the purpose; and those who represent contributors are elected at a special meeting of contributors. The constitution of the Denver Federation provides only for "dual control," no mention being made of appointments by the local commercial organization. This Federation is, however, classed as having triple control because it appears that, quite without amendment to its constitution—so far as this Committee is informed—the Civic and Commercial Association, at the request of the local Federation, has named four of the Federation's trustees, and the Rotary Club a fifth. Moreover, during most of this Federation's long existence certain "Trustees of the Charity Fund" were chosen by it as a Board of Award. They made the appropriations. In the Federation's Report for 1912 it is explained that

> The commercial bodies of the city are all represented on this board, which thus forms a vital connection between the charities and the business institutions of the city, which are the principal contributors to "The Charity Fund."

In both Cleveland and Erie there is an Advisory Committee on

[1] Unless otherwise specified, all statements in this study relating to the form of organization of the Cleveland Federation refer to the form under which the Federation operated during its first four years. By the reorganization effected in December, 1916, the Federation's management was placed in the hands of a board of twenty-one trustees elected exclusively by representatives of the affiliated agencies. Not more than one-third of them may be social workers.

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which each organization is represented, and in Cleveland there is also a small but important committee known as the "Group Committee," composed of the best trained social workers. It is the executive body of the Advisory Committee. It holds monthly meetings and makes recommendations to the Federation trustees.

One federation only, that in New Orleans, has favored the system of dual control. While this Federation existed, a majority of the directors were named by the affiliated organizations and the remainder were elected by contributors.

In each of the two preceding groups, the federations had separate representation on their directorates for contributors. This feature has been criticised by representatives of other federations who feel that it is of no special value. Justification for this criticism appears in the fact that in the four cities for which information was obtainable—Cleveland, Erie, Dayton, and Denver—the attendance of contributors was very small at the meeting held for the election of their representatives on the board, and in each city, with one exception, the slate proposed by the Federation board was elected. The exception is Denver, for which information on this latter point could not be obtained.

In a third group are the federations whose boards are chosen exclusively by the affiliated organizations. These are located in Baltimore, Birmingham, Cincinnati, and Oshkosh. The Baltimore Federation is unique in having a second governing body, a "Board of Arbitration and Award." This consists of prominent men, not closely connected with the affiliated organizations, but appointed by the Federation. They pass finally upon the budgets of affiliated organizations, have power to settle any differences of opinion which may arise among these organizations, and decide as to the distribution of undesignated contributions.

The three preceding groups of federations have in common the problem of a fair representation of the affiliated organizations upon the federation directorate. Where there are but a few organizations, each is usually allowed either one or two representatives. Where the number of organizations is large, as in Cleveland, a limited number of organization representatives are elected at a meeting to which all organizations are privileged to send a specified number of representatives. In certain federations criticism has been made

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by a few of the smaller organizations regarding particular policies of the federation, in the formation of which, it is claimed, they had no share. So far as there is ground for such criticism, it must appear in federations where the election scheme last described is in force. In such federations all organizations cannot be represented on the directorate (although they may be represented on an "Advisory" board), and the organizations omitted are likely to be the smaller ones. In an effort to provide for a representation that shall be absolutely equitable, a most complex plan of representation was drawn up for the Jewish Federation that was formed in New York City in 1916. Each organization's representation depends upon the amount of its contributions before federation; and there is also a system of plural voting by those trustees who represent societies that have had large contributions.

In Salt Lake City, and evidently also in San Antonio (where the Federation, though existing after a fashion for nearly a year, never elected a board of directors), the entire control seems to have been in the hands of the commercial organization. In both cities the federation has been abandoned, and in both, as pointed out on page 70, the federation was more or less forced upon the social organizations.

The final miscellaneous group includes the federations in Elmira and Richmond, Ind. In the former the leading social service organization names a majority of the governing board, while the other members are named by the affiliated organizations; in the latter the Federation itself names one group of the directorate, the affiliated organizations and the contributors naming the two others. In St. Joseph, where the Federation in the summer of 1916 solicited funds for the year's expenses, no constitution has yet been adopted. Therefore the type of the controlling body cannot be reported.

Control over a federation may be exercised by control over admissions to its membership, as well as by control in the management of the federation itself. In certain cities control over admissions rests, or has rested until recently, with the city's commercial organization. No organizations are admitted unless approved by the endorsement committee of the commercial body. This arrangement was in force in Cleveland until a little over a year ago. It still

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exists in Dayton, and it was a feature of the Salt Lake City Federation as long as that existed.

In several federations the financial responsibility of the commercial body toward the federation has been definitely recognized. In Cleveland, South Bend, and Erie, money was advanced by the commercial body for the expenses of the federation until its first campaign could be organized. In Dayton, an even closer relationship was originally planned. According to the "regulations" each organization is required to print on its literature, stationery, etc., the organization's name, followed by the phrase "of the Greater Dayton Association." This rule, however, has never been enforced and is now adhered to by only two of the nine organizations.

By some social workers the close relationship shown in many of these cities between the commercial organizations and the federations is regarded with considerable concern, and it is significant that a marked tendency away from such relationship is shown. In Cleveland the system of appointments by the commercial organizations to the federation board was abandoned in 1916, and the same step is now being seriously considered in Erie. Criticism has been made in Erie that the organizations under the existing constitution "have little direct voice in the Federation's management."

There can be little doubt that when a city's contributions are pooled, this fact alone makes it easier for commercial interests, if they wish to do so, to influence social work. Fear has been expressed in some quarters that commercial influence might be used against social development, if in that development business interests were threatened—a fear, for example, that such interests might exert a restraining influence, through the federation, on affiliated organizations that desired to obtain an eight- or ten-hour law for women's work. Such a fear is expressed by Blanche Geary, of the National Board of the Young Women's Christian Association, in a booklet entitled *Association Finance*. In connection with her advice against affiliation of such associations with federations she writes as follows:

> Our city work among wage-earners might not always meet with the hearty approval of the large employers, to say nothing of the ten largest givers in the city. Should we not be sorely tempted to trim our sails or even perhaps to keep them unfurled?

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A competent correspondent writes as follows regarding the now abandoned federation in Salt Lake City:

The Central Finance Board was composed of men—good business men indeed, but who had no vision beyond the purely business view of things. If something did not pay, cut it out. They did not want to give to anything that was not a *paying* proposition financially, and it was within their province to cut off any branch of work in which they did not believe. In other words, every organization receiving money from the Central Finance Committee was subject to them, and could be supplied or cut off from funds at will. Now I do not say this was done in any case, but it *could be done.*

In the federations studied no indication of a tendency in the direction feared by Miss Geary has been observed. On the contrary, the lists of the appointments made by the commercial organizations to the federation boards, in the three cities furnishing such data, show that in two, Cleveland and Erie—though not in the third city, Dayton—these appointees have usually been persons already known to have affiliations with certain of the federated organizations, or at least an active interest in their work. Testimony on this point is given as follows by one of the Chamber of Commerce appointees in Cleveland, a man with no business connections whatever:

We have commercial representation in the Federation, but there has certainly been, up to date, no commercial control. . . . So long as the Federation must depend upon the public for support, rather than upon an endowment or a few continuous subscriptions, and must obtain its funds by solicitation and public appeal, I can see no danger at all in this regard.

That there is a tendency, however, toward control of a certain sort by the city's commercial interests is shown by the following quotations from letters received from well informed people in Denver, Salt Lake City, and Erie:

Denver—Personally, I feel that there is a strong inclination for commercial organizations or associations to control everything in the philanthropic line. Should this prevail you know the consequences.

Denver—The Federation is only one side of the organization. The other side is the Retail Merchants' Association, which has within its membership practically every business man in the city. It pledges its members to make no subscription to any institution not a member of the Federation and then limits the Federation to one single appeal. . . . This Association is drawing its line tighter and tighter each year.

Denver—A federation for financial purposes . . . is too apt to be dominated by some Retail Merchants' Association.

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Denver—The basic principles of our Federation are right, but the plan and method of operation should be modified. The commercial spirit should not dominate. I think our Federation is tied too closely to the business organizations. Charity overshadowed by the commercial spirit is dead. Our work is a heart work combined with business efficiency. No federation which has business efficiency as its sole guiding cause can succeed, nor do I believe that a federation can be run on cold business principles exclusively.

Salt Lake City—The chief cause of the Central Finance Board's failure was the "big stick" methods of a small group, whose primary object was to diminish the demands on the charitable. Some of its principal promoters had little or no conception of social work as we understand it, and as a consequence, over-emphasized the business side in making their appeal.

Erie—I think the placing upon our Boards of Directorship of names suggested by the commercial organization will mean a weakening of the organization, for these persons usually see things from a purely monetary standpoint.

In most federation cities the influence of the commercial element has been a powerful factor in bringing about the organization of the federation,[1] and in emphasizing the provision of immunity. The experiences of the San Antonio and Salt Lake City federations, mentioned above (p, 70), show this tendency most conspicuously. Whether an influence exerted in this direction is to be regretted or welcomed depends upon one's attitude toward the federation plan, and toward the granting of immunity. The federation system and its immunity feature have certain marked social aspects which are described later in Chapter VIII. Those who believe that unfortunate social results are likely to come from development along these lines will see a menace to social advance in the vigorous support ordinarily given it by commercial interests. Those, however, who see in it a net gain to social progress will welcome the assistance in this direction that commercial organizations usually stand ready to give.

In the opinion of a well informed social worker, who has visited Denver recently, there is an advantage to social work that should not be overlooked, in the close relationship with commercial organizations that federation so often establishes. This social worker writes as follows:

The Rotary Club of Denver feels a keen interest in having the best informed man it can lay its hands on to represent it on the Board of Trustees of the Denver Federation. I have never found any such competition for work in an individual society. It evidently has seized upon the imagination of that particular club as being a sort of civic opportunity. No individual organization can make that particular appeal.

[1] Mr. Norton states that this was not at all so in Cincinnati.

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The experience of Jewish federations points out one danger spot which is related to the form of organization chosen. Mr. Waldman writes as follows:

> Equal in importance to the building up of a centralized power in any federation is the necessity for conserving and guaranteeing the rights of the membership constituting the federation. Without such guarantee, there is grave danger that the central body may usurp powers which have not been delegated to it, and gradually rob its constituents of their inherent rights. This is exactly what has taken place in some Jewish communities under federation. The federation grew in power and importance until it virtually exercised complete power, the constituent members waned in importance until nothing was left to them but their legal corporate existence.

5. Staff. The opinion is frequently expressed that the success of a federation is dependent upon the employment of a capable executive.[1] A Cleveland organization writes that the executive "should be a man of exceptional ability, who has had intimate and detailed experience in the field of social work," and this opinion is expressed by a great many others both in Cleveland and elsewhere. Two New Orleans organizations ascribe the failure of the Federation there partly to their mistake in this particular. One of them writes, "We were lacking sufficient funds to pay the proper salary and obtain the right kind of an expert to handle the office." A social worker of considerable experience, familiar with conditions in two federations, writes that "with one or two notable exceptions the same high grade of personal service has not been given federations as to the other branches of social work."

For the first twenty years of its history the Denver Federation employed no salaried executive, partly, it may be, for lack of funds, but primarily because the social functions of a federation were not realized. In South Bend, however, the financial reason for not employing a trained executive seems to have been the controlling one. A Cleveland social worker, after visiting South Bend while its Federation was being formed, wrote that "it is planned to engage a trained secretary." As a matter of fact, during the Federation's first two years, the only person employed was a bookkeeper for two-thirds of her time. The executive now employed in that Fed-

[1] In two small federations—those in Elmira and in Oshkosh—no executives are employed. The same was true of the now abandoned federations in Birmingham, Houston, and Salt Lake City.

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eration had had no experience in social work previous to his connection with the Federation. The same seems to be true regarding the federation executives in Dayton and Milwaukee, as well as in Springfield, Mass., where the Federation is now inactive, and in New Orleans where the Federation has been abandoned. The Dayton executive is a lawyer who gives half of his time to the Federation's work.

The executives of eight federations had previous experience in social work. These are the federations in Cleveland, Baltimore, Cincinnati, Dallas, Denver, Erie, Grand Rapids, and Richmond. Mr. Williams of Cleveland had been connected, as a volunteer, with two settlements;[1] Mr. Edlund of Baltimore with the Russell Sage Foundation, the New York Charity Organization Society, and the Cleveland Federation; Mr. Norton of Cincinnati with a settlement, a Department of Charities, a Bureau of Municipal Research, and with the Cincinnati Council of Social Agencies, as its director, besides having been lecturer on Sociology in Western Reserve University;[2] Mr. Justis of Denver, with two charity organization societies as secretary, after graduating from a school of philanthropy, and with the Erie Federation as its secretary till January 1, 1917; Mr. Harris of Erie, with the Cincinnati Federation, with a Young Men's Christian Association, and with a Department of Public Welfare, besides experience as a volunteer with a juvenile court and an associated charities; Mr. Allen of Grand Rapids, with the United Charities of Chicago and other social organizations after graduating from a school of philanthropy; and Mr. Melpolder of Richmond, Ind., with an associated charities as its secretary besides experience for several years in juvenile court work; Mr. Howell of Dallas had done "volunteer social work and had several years' experience in handling social work of a city church."

[1] Mr. Sherman C. Kingsley, who succeeded Mr. Williams on January 1, 1917, as secretary of the Cleveland Federation, has had many years of experience in several forms of social work, in recent years having been secretary of the United Charities of Chicago, and lately Director of the Elizabeth McCormick Memorial Fund of that city. Cheney Jones, who has recently become secretary of finance of the Cleveland Federation, had been secretary of the Humane Society in Cleveland, and had previously been connected with the Massachusetts Society for the Prevention of Cruelty to Children.

[2] Mr. Norton was succeeded in May, 1917, by C. M. Bookman, previously business manager of the Cincinnati Federation and in charge of its publicity work. Mr. Bookman has had other experience in social work as a volunteer.

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Besides the executives, several of these federations have socially trained workers as staff members, as follows:

In Cleveland, three telephone solicitors with some social experience as volunteers, and for a few months Mr. Edlund, later director of the Baltimore Federation; in Cincinnati, Arthur Boden, formerly on the staff of the Anti-tuberculosis League; in Baltimore, Wm. H. Davenport, formerly secretary of the State Board of Charities; in Denver, for one year, Miss F. W. Hutsinpillar, who for several years had been supervisor of case work in the Minneapolis Associated Charities. The assistant secretary of the Federation in Springfield, Mass., Miss Marjorie R. Latimer, had been trained in a school of philanthropy.

It is the opinion of Harry Hoak, who has acted as campaign manager for several federations, that such federations will fail unless they have two persons in charge—one a man with the best of business training to manage the business and financial ends, and, in addition, a person with social training to attend to the federation's social work.

6. Scope. In two cities, Baltimore and Cincinnati, the federations include only a limited number of the eligible organizations. This was also true of the now abandoned federation in Birmingham. In 1916 only 12 organizations were members of the Baltimore Federation, and only 21 of the Budget Committee in Cincinnati.[1] The eligible organizations there are about 50, and in Baltimore a much larger number. The Birmingham Federation included but three organizations. A representative of the Baltimore Federation writes:

> The idea was to begin with a small and manageable group, those that were already accustomed to work with one another and had an intelligent and sympathetic understanding of the Alliance. . . . The understanding was that as soon as possible the door was to be thrown open to other agencies.

The Director of the Cincinnati Federation explains that the difficulties of central collection of funds were recognized, and that it was decided to begin with a small group that could be "swung" and to expand gradually.[2] The other federations aim to be all-

[1] There are now (1917) 24 organizations that share in the central collection of funds. As explained above, the Federation, called the Council of Social Agencies, includes a much larger number—86 organizations.

[2] A difficulty resulting from this form of organization has been expressed by a

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inclusive. They define their scope, and then admit all that qualify, if they are willing to join.[1] This is their general plan, but sometimes for lack of funds it has not been followed. In the Denver Federation's report for 1911 it is stated that "a number of needy and worthy charities have sought admission to our ranks, but the state of our treasury did not seem to justify us in assuming additional burdens." Similarly in Elmira suggestion was made last winter that the Salvation Army and the Boy Scouts be included in the Federation, but objection was raised to the effect that "we are having hard work to raise the funds for the existing organizations. How could we raise the increased amount needed for these two others?"

Financial reasons have sometimes made eligible organizations unwilling to join the federations in their cities. Thus a Denver correspondent writes:

> As new organizations came into existence, they were reluctant to unite themselves with the general organization. In 1912 there were approximately 40 institutions of various kinds in the city which were soliciting funds from the general public. Of these only about 16 were members of the Federation.

The scope of the Cleveland Federation is defined as follows:[2]

> Any organization is to be considered eligible . . . which makes . . . without restriction to religious, denominational, and other special affiliation a legitimate appeal for funds.

In several other federations the scope is similarly expressed. Nevertheless the list of organizations included in the several federations shows a number of surprising variations. The Boy Scouts

critic of the Baltimore Federation as follows: "The Alliance makes it much harder for the charities not affiliated with it to secure contributions, because many withhold contributions through the mistaken belief that the privileged twelve organizations constituting the Alliance are sufficient, or that all the organizations not connected with it have refused financial and other benefits from it."

[1] The number of organizations in the federations in the other cities in 1916 was as follows: Cleveland, 56; Dallas, 8; Dayton, 9; Denver, 21; Elmira, 7; Erie, 11; Oshkosh, 6; Richmond, 4; and South Bend, 12. The number in the federations no longer in existence was 3 in Birmingham, 18 in New Orleans, and 14 in Salt Lake City.

[2] Under the reorganization effected in December, 1916, this was changed. The Federation includes 81 organizations—practically all the social agencies in the city, public and private—and collects funds for but 61 of them. Among the agencies which are members of the Federation without participating in the collection of funds are the Chamber of Commerce, the Federated Churches, the Catholic Diocese, the Federated Jewish Charities, the Federation of Labor, the Civic League, and the Cosmopolitan Alliance.

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organization is a member of the Federation in Cleveland, but in Dayton, after joining the Federation, it withdrew, claiming that it was not properly affiliated with such a body. The Consumers' League has been regarded as ineligible in Cleveland, but it belongs to the Federation in Cincinnati. There is also much difference of opinion as to the eligibility of the Salvation Army and the Volunteers of America, and of missions and hospitals. The Denver Federation seems to regard socio-religious organizations as ineligible, for most of them are not included. But inconsistent with this standard is the inclusion of the Epworth Institutional Church. The Houston Federation excluded denominational and institutional work. The Young Men's and the Young Women's Christian Associations make a general undenominational appeal for support, and have been regarded by several federations as eligible for admission. The former is a member of the Cincinnati Federation, but not of the federations in any other city, though such associations are active in most of these cities. The latter joined the Cleveland, South Bend, and Salt Lake City federations, but has not joined elsewhere. In some cities these organizations have not been asked to join the federation and in others they have refused to join. The two national bodies with which the local associations are affiliated have advised against their joining federations. The reasons given by the national boards, and by the local associations communicated with, may be summarized as follows:

1. The associations are distinctly religious, and their relations are with the churches rather than with the charities of a city.

2. By affiliation with charities, members are put into the same class with the "cases" of such organizations, whereas these members, paying a large share of the cost of the associations, are properly comparable rather with students who pay tuition in an endowed institution of learning.

3. The associations should not be put in a position where their work, much of it of a religious character, would be subject to the control of a board outside of itself, which might not be in sympathy with that work.

4. Under federation there would be danger that the contributors would lose personal interest in the associations' work.

5. Under federation the income might be lessened.

The Boy Scouts national organization advises against affiliation with federations by its local branches on the ground that they are educational rather than charitable. The National Association for

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the Study and Prevention of Tuberculosis has not advised definitely for or against affiliation by local tuberculosis societies. It holds, however, that such societies should endeavor to push the sale of Red Cross seals so vigorously as to be able to finance themselves entirely by this means; as soon as that goal has been reached in any community the necessity for the society to join the federation ceases. The Volunteers of America advises in general against affiliation. The National Association for Public Health Nursing, with which visiting nurse associations are affiliated, states that it has informally urged such associations to join federations in their cities. The Salvation Army, the National Consumers' League, and the Playground and Recreation Association of America have taken no position on the question.

One or more of the last three reasons given by the Young Men's and Young Women's Christian Associations account for most of the refusals to join federations that have been reported in the several cities. These will be referred to in later chapters when particular phases of federation work are considered. Three such refusals are reported in Cleveland, one in Baltimore, nine in Cincinnati, one in Dallas, one in Erie, one in New Orleans, one in Richmond, several in Salt Lake City, two in South Bend, and in Denver a dozen or more. Not all of these organizations in the several cities have refused to join, in the sense that they were unwilling to join the federation at any time. Several of them have merely refused to join at present and are awaiting developments.

In an entirely different class are the organizations which the federations have refused to admit. Of the nine of this type that have been recorded in all cities, two were refused because they were too new and the other seven because their standards of work were not approved.[1]

Not all of the federations have remained intact. There have been one or more withdrawals from seven of the federations studied, as follows: Cleveland, Volunteers of America and Educational Committee of the Federation of Women's Clubs; Dayton, Boy Scouts; Denver, Colorado Christian Home, Colorado Humane

[1] See page 201 for a discussion of the subject of standardization. The seven organizations referred to were refused admission to five federations. They include among others a day nursery, three humane societies, an organization for fallen women, and a newsboys' association.

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Society, Colorado Prison Association, Frances Willard Settlement, and St. Rosa's Home for Working Girls; Erie, Volunteers of America; New Orleans, Sunshine Societies; Richmond, Ind., Domestic Science Association (conducting visiting nurse and day nursery work); and Salt Lake City, Volunteers of America, St. Mark's Aid Association, and Young Women's Christian Association. The reasons for these withdrawals will be discussed in later chapters in connection with the phase of the subject to which they relate.

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CHAPTER II

FINANCIAL PROCEDURE

1. Money Raising Methods. Except in Cleveland, New Orleans, and Richmond, Ind., federations rely, or have relied, chiefly on campaigns more or less of the whirlwind sort as a means to raise their funds.[1] Usually the campaigns have been undertaken by means of teams of 100 or more persons, salaried and volunteer, furnished by the constituencies of the affiliated organizations, and in some cases by the commercial organizations. Gatherings of campaigners are arranged for, before and during the campaign, in course of which instruction is given as to the methods of work and the aims of the various organizations, so that the solicitors may be able to campaign intelligently. In Denver the professional whirlwind campaign was not resorted to until 1915, although campaigns by the directors and others closely identified with the Federation had been used throughout its entire long history. In Elmira there have been two whirlwind campaigns: one in 1910 at the organization of the Federation, and another four years later.

In most federations whirlwind campaigns have been supplemented by personal and letter solicitation. Directors and others closely connected with the federations have sometimes assisted in this. In Erie a solicitor has been employed, and in Cincinnati a collector of pledges.

In several federations whirlwind campaigns have been regarded as undesirable if they can be avoided. Elmira's third campaign was not of the whirlwind type, but was a quiet campaign with home talent. In Erie there is considerable sentiment in favor of abandoning whirlwind campaigns for the future. An initial campaign was justified on the ground that the awakening of public interest in the newly formed Federation was necessary. In Cincinnati the

[1] The campaigns in which professional organizers are known to have been employed are the following—those in Elmira in 1914, Baltimore in 1915 and 1917, Erie and Denver in 1915, St. Joseph, Grand Rapids, Milwaukee, and Dallas in 1916.

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plan is now to raise a considerable portion of the money needed by soliciting large givers before the campaign begins. The campaign itself, Mr. Norton writes, "will be of lessening virulence each year if this preliminary process succeeds. We shall also pay more attention to considering year-round solicitation." In Dayton, after an initial experience with the financial campaign, and after attempting a year later to repeat that campaign, limiting it, however, to a single day (and obtaining a smaller amount of money), the Federation has come to rely chiefly upon appeal letters and personal calls. For the fiscal year beginning May, 1916, funds were solicited by means of a quiet campaign, chiefly by members of the Federation board and a few interested outsiders.

In New Orleans, year-round solicitation was carried on by means of volunteers, paid collectors, and letters. In Richmond, Ind., funds have been raised by the personal solicitation of members of the Federation Board, assisted by certain members of the commercial body asked to help; no letters have been used; members of the boards of the affiliated organizations have in only a few cases been called upon to help in this personal work.

In Cleveland, all of the methods referred to in the previous paragraphs have been made use of, but the Federation's one whirlwind campaign, conducted at the very beginning of its history, did not have the publicity features usually associated with that scheme—immense electric clocks, etc.—and it was not in charge of a professional organizer. In succeeding years even mild campaigns of this sort have been avoided. Extensive letter appeals are made, and Mr. Williams made calls upon the givers of $100 and over, in order to obtain their renewals. Telephone solicitation was first developed in Cleveland. Three persons were employed permanently in 1916 for this purpose, usually telephoning to those to whom letter appeals had previously been sent. Through the co-operation of the Cleveland Electrical Illuminating Company, the Federation is enabled to appeal almost every month to the 75,000 people to whom that Company sends its bills. On the face of the bill, in red ink, are printed the words, "Gift to Federation for Charity, $..... Receipt will be mailed you by the Federation." Those wishing to subscribe to the Federation add the amount of their subscription to the amount of the bill, and the Illuminating Company

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sends to the Federation the amount subscribed to it. Enclosed with the bill is a printed slip explaining some feature of the Federation's work.

In Cleveland various plans have been developed to assist the affiliated organizations in the appeals they are expected to make to non-federated givers. Late in 1916 the Federation organized a telephone campaign in which one or two hundred volunteers, furnished by the affiliated organizations, in rooms set aside for their use by the Telephone Company, solicited non-contributors for eight hours a day, reading, or if they preferred, paraphrasing, a form of appeal prepared for them. This service was given free by the Telephone Company. The results obtained are referred to in a later chapter.

A considerable element in the Cleveland Federation feels that its rigid avoidance of the whirlwind campaign is a mistake. Those holding this view believe that larger sums of money could be obtained if both the whirlwind campaign and the present methods of solicitation were used, and point as proof of this to the larger increases in contributions certain other federations have obtained. Up to date the opposing point of view, strongly urged by Mr. Williams, has controlled the Federation's policy. It is argued that more money might possibly be obtained at first by whirlwind methods, but that such money is given, not as a result of interest in the work and an understanding of it, but because of the solicitor's pressure or because of the excitement or enthusiasm that the campaign generates. Mr. Justis of Denver, on the basis of his experience with a whirlwind campaign in Erie, favors quiet rather than whirlwind campaigns for the future. He has pointed out the following disadvantages of the whirlwind campaign method:

a The shrinkage of big gifts in some cases, some givers pledging small amounts in order to get rid of the solicitor.

b The fact that some people make pledges in order to see their names in the paper.

c Team members will use all sorts of arguments—some not of the kind the organizations can approve of.

d Each team wants the very best names on its list.

e It is harder to get renewals from those who subscribe during a campaign.

Mr. Justis adds, however, that "campaigns are useful for launching a movement because of the publicity they make possible and

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because many kinds of workers may be enrolled and interested." A criticism of whirlwind campaigns in several cities in which professional managers have been employed is that the cost of collection is heavy, and that the money "goes out of the city."

An objection to repeating whirlwind campaigns year after year is the difficulty in obtaining people who are willing to continue as members of the teams. In Erie, where a supplementary campaign was necessary near the end of the Federation's first year, this difficulty was apparently serious. And again in regard to the second year's campaign it was reported by a correspondent that "only about one-half as many people worked." Similarly, in the second South Bend campaign complaint was made by the Federation regarding the "shortage of workers." In Cincinnati, however, the Federation states that it has not encountered this difficulty, but has been able in each campaign to increase the number of workers.

The Baltimore Federation, in upholding its choice of the whirlwind campaign, states that it is "altogether the surest way of obtaining the desired amount." It is probably for this reason that federations seem to find it hard to abandon whirlwind campaigns even when they would prefer to do so. Thus the Erie Federation, which states in its first report that it hopes "that the public now understands the work and appreciates its value so that the funds may be raised hereafter through correspondence," found it necessary to have a whirlwind campaign again in its second year.

2. Budget Making. Each federation must have its financial goal—the sum of the contributions needed by the affiliated organizations for their year's work. In the methods followed to establish this goal wide variation exists—from the fairly exact budget making in force in Cincinnati in 1917 to the extremely loose methods that seem to have prevailed in Salt Lake City, forced upon the Federation, a correspondent states, by the lack of co-operation on the part of some of the organizations.

In Cincinnati, each organization is required to submit monthly and annual reports on forms provided by the Federation. A certified public accountant on the Federation staff examines these reports and checks them up at intervals with the organizations' books. The amount allowed each organization in the combined budget is determined by the budget committee after listening to

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the full explanation of the organization's executive and board members, and after examining its previous records. The amounts allowed "are based upon the ability of each organization to convince the committee that it needs the amount, and upon consideration by the committee of how much it thinks it can raise as a total, and which of the numerous requests are most pressing at that time. This ideal is being nearer and nearer approached." By means of the monthly reports the committee is enabled to observe the extent to which each organization adhered to its budget. In providing money from the undesignated fund for any organization the Federation refuses to be responsible for expenditures that exceed the approved budget, in any of its items. Except for the last-named provision, the procedure followed in Erie is practically the same as in Cincinnati. The Baltimore Federation is also now "on a strict budget basis."

In contrast to the federations named above, the Salt Lake City Federation, in the first outline of the plan given to the press, stated that the amount to be raised was $80,000. Later, the estimate was decreased to $44,000, while the amount collected was only $19,212.65. It is stated by one correspondent that on this latter amount "the work of the various organizations was carried on adequately."

Other federations vary in their budget making between these extremes. The Cleveland Federation has been criticized in this connection. When the very great variation in certain cases between the amounts listed on the first Cleveland subscription blank as the respective organizations' "needs," and the amounts received by each of these organizations, both direct and through the Federation, was pointed out to Mr. Williams, his reply was that these figures, listed as "needs," might better be called "legitimate desires," since they do not represent the rock-bottom necessary budgets of these societies but rather what they would *like* to have and what was agreed they could wisely use if they were able to collect it. The situation has not been satisfactory to the Cleveland Federation officials, and in 1916 the Federation reported that for some months it had been helping the organizations to give budgeting their more serious attention.

A natural result of inexact methods of budget making is the ten-

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dency on the part of certain organizations to hand in inflated budgets. The fact that this has happened is reported from three of the federations now in existence. For obvious reasons the names of these federations are withheld. One correspondent writes that the organizations that are "absolutely honest fare worse than the dishonest ones." A fourth federation reports in this connection that "a society will resort to various subterfuges . . . accepting donations and sequestering them into special funds without reporting them to the Federation."

In the preceding paragraphs only the mechanical processes of budget making have been considered. Through its power to approve of the budgets of the various organizations a federation, in theory at least, is able to require certain standards of accounting and of social work. The extent to which federations have availed themselves of this power is considered in Chapter IX.

3. **Immunity.** A feature common to every federation studied,[1] and almost the only feature common to them all, aside from the use of an undesignated fund, is the immunity offered to those who contribute through the Federation.[2] The unfortunate results which certain critics of the federation plan fear from the granting of immunity are considered in a later chapter (page 167 ff.).

Immunity, however, does not give contributors complete protection, for appeals continue to be made for organizations outside of the federation and for occasional purposes, such as for Red Cross and other war relief, as well as for membership in commercial and other organizations. Moreover, direct appeals by the federated organizations are made possible in considerable number because of a variety of exceptions that in certain cities have been made to the immunity rule. These are as follows:

1. Appeals may usually be made to federation givers by the affiliated organizations for funds for new buildings or other permanent improvements. In most cities, however, it is provided that

[1] The Denver Federation was started without promising immunity to its contributors, but it was obliged to add that feature after experimenting for a number of years without it.

[2] In Dallas the affiliated organizations are pledged to make no solicitation whatever—the one exception being the special case appeals to relatives, friends, or employers of a family which the Associated Charities is permitted to make.

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there must be consultation between the federation and the organization concerned before such appeals are made.

2. In several cities, including Cleveland and Cincinnati, additional appeals may be made and have been made by the federation itself later in the year, to those who are already federation contributors. In Baltimore no promise was made that such additional appeals would not be made, but the director writes that this was apparently the spirit of the agreement. He adds, however, that in his judgment no such promise should be made.

3. In some federations, under certain conditions, appeals may be made to federation givers for the purchase of tickets to entertainments, fairs, balls, etc., arranged by affiliated organizations. The Cleveland Federation states that its aim shall be "to do away with" these methods of money raising, and each organization is required to consult the Federation before arranging for any such affair. Where approval is given, it is stipulated that the request to purchase tickets is not to be a personal one. A mere general announcement regarding the entertainment, etc., may be made, and presumably announcements may also be sent through the mails, but tickets are not to be "circulated." Exception, however, has been made in the case of Catholic institutions which have received permission to solicit for the purchase of tickets. In general, the Federation explains, all money raising by these methods has been discouraged except where a "very real educational function" is accomplished. One institution is instanced which brings together at an entertainment in its building a large number of women and interprets to them the organization's work. A Cleveland correspondent states that the Federation is not consistent in the permits it gives for benefit affairs. For example, it is stated that the ladies connected with certain affiliated organizations are allowed to give card parties to help raise their funds. Admission fees of fifty cents are charged, and this fact is announced in the letter of invitation sent out. It is claimed that the only difference between this and the fête or benefit is that no tickets are sold. The Cleveland provision on this subject is repeated in the regulations of the Denver and New Orleans Federations, and is informally in force in most of the others. In Erie, "most of the annual benefits have been discontinued, only those being given which have a social significance

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quite as important as the financial one." The benefits given are reported to have been much less successful because personal solicitation was not allowed in the sale of tickets. In two cities, Cleveland and Salt Lake City, withdrawals have been due, in part at least, to the desire of the two organizations to give a benefit or a ball, to which the Federation would not consent. In Elmira it is reported that these methods of money raising by the affiliated organizations have been entirely abolished. In the Baltimore Federation also, no income was received from such sources during the year studied.

4. In most federations all kinds of impersonal appeals for funds are allowed, namely, appeals in which the one solicited is not approached individually. Such appeals were forbidden in the New Orleans Federation while it lasted but have not been forbidden elsewhere. They may be made in Baltimore only with the Federation's approval, and it is reported that they have not been made in Elmira since the Federation there was formed. Classed here as impersonal appeals are newspaper appeals and appeals through contribution boxes, on the street and elsewhere, or through fare boxes on street cars. The two latter methods have been used by the Cleveland Associated Charities, and collection through fare boxes has been used by the Dayton Federation. In Dayton and South Bend the Salvation Army kettles are allowed. In Baltimore impersonal appeals are made in one of the newspapers by the Federated Charities and the Babies' Milk Fund Association, and in Dayton such appeals in behalf of the Associated Charities have been made by the Federation itself. In Cleveland the Associated Charities has distributed a leaflet to all the patrons of the Illuminating Company, in co-operation with the Federation. The leaflet concludes with what is, in effect, a direct appeal for funds for the Associated Charities' work. Many who thus received it were, of course, federation contributors, and it must therefore be presumed that the appeal, because of the way in which it was sent out, was regarded as an impersonal one.

The most pretentious money raising effort of the impersonal sort was the so-called "Associated Charities Day," in Cleveland in February, 1916. Probably no social advertising, outside of whirlwind campaigns, has ever been so extensive as that used in connection

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with this enterprise. Ten thousand collection boxes were located in groceries, markets, drug stores, dry goods stores, theaters, motion picture parlors, restaurants, etc., and immense billboards in various quarters of the city announced the plan in advance.

The sale of Red Cross seals by tuberculosis associations, so far as it is an impersonal appeal, has been quite generally allowed. But these seals are often sold by means of very personal appeals, and therefore complications have arisen. In Cleveland, for one year, "in view of the educational value of the Red Cross seals and of the established character of the seal sale," permission was given to the tuberculosis organization to proceed as usual. During the next year, however, solicitation was abolished and the postal method of sale substituted. This, it is stated, "was the wish of the Anti-Tuberculosis League." In Erie and in South Bend the tuberculosis associations were not allowed to make active campaigns and approach people personally or by letter. In Cincinnati, Baltimore, and Dayton, however, seals have been sold by the usual methods. It is explained that the letter of the Cincinnati society, if sent to Federation givers, was not a soliciting letter, but a short notification that the seals were on sale, giving the places at which they might be obtained.

5. Apparently a contributor is immune only "for the balance of the fiscal year." This provision is definite in the rules of the Erie Federation and is implied in most others.

6. Probably all federation officials recognize the danger that certain persons may attempt to buy their immunity as cheaply as possible. In at least three federations, therefore, a minimum is fixed, and for contributions below this amount no immunity is promised. This minimum is ten dollars in Denver and one dollar in Erie. It was five dollars in New Orleans while the federation existed in that city. In Cleveland, immunity is allowed only if the contribution is equal to that received during the previous year. In the other federations a contribution to the federation, even if less than one dollar, insures immunity. In Cleveland it is reported that only 41 of the contributors during 1914–15 were deprived of their immunity under the above quoted regulation. In Erie it is stated that its one dollar minimum has not caused any trouble such as might be feared because of its small amount.

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7. In some federations an exception has been made to the immunity rule in favor of appeals to federation givers for the relief of special families. Almost every federation has found it difficult to decide whether to make this exception or not. If it is made in the case of the Associated Charities, why not in the case of all other case working societies for the benefit of whose "special families" special appeal may be made? In Baltimore, the feeling of the Federated Charities regarding its special family appeals was so strong that it consented to join the Federation only after receiving a written guarantee that these appeals would not be interfered with. In Oshkosh appeals of this sort have been allowed in a more or less informal way, and this was true also in New Orleans. In Elmira they had been made before the organization of the Federation, but were suspended when it started. When a wish was expressed later on to re-establish them, this was not allowed. Special family appeals have also been given up in South Bend since the Federation was formed. It is stated, however, that because of certain local conditions this might have happened even if the Federation had not been started. In Cincinnati, Cleveland,[1] Dayton, and Erie, no exceptions have been made on account of special family appeals. Appeals of this type are, of course, always possible through the newspapers, for that is an impersonal appeal, and it is still possible to send them to those who do not give to the federation.

8. Many federated organizations have membership dues. In some cases these are nominal and in others considerable. Several federations have allowed organizations to appeal to federation givers to become members of the organizations, or to renew their membership, thus setting up another exception to the immunity rule. Wherever this has been done it has usually been found necessary to establish a maximum for membership dues. Dayton and South Bend have fixed a one dollar maximum, Erie a three dollar and Oshkosh a ten dollar maximum. In Denver no maximum has been fixed. The Social Service League has classified membership dues ranging up to twenty-five dollars, and certain other organizations have dues of one hundred dollars. A correspondent writes

[1] Recently, in 1917, permission has been granted to the Associated Charities in Cleveland to appeal for special family relief to certain federation givers selected by the Federation, who, it is believed, will not object to being appealed to thus.

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that "appealing thus for memberships is very weird and puzzling, and has been the source of some irritation." The representative of one of the federated organizations writes: "Personally I have been rather careful about this, as I did not wish to have a call-down as I know some have had." In Cleveland solicitation for new memberships is not allowed, and is allowed for renewals only if the persons solicited were members of the organization for a year or two prior to the formation of the Federation. The Cincinnati Federation has no fixed rule in this matter. The Consumers' League attributed its loss of members to the fact that with no solicitation for renewals on its part many of its supporters have contributed to the Federation's undesignated fund, and thus were not recorded as renewing their membership in the League. As this organization needs its members for much more than financial purposes, special permission has been given it to solicit dues not in excess of one dollar. It has been felt that, in this case, membership is really important to the success of the organization, but that this is not generally so for the other organizations. Each case of membership solicitation will be decided on its merits, the basis of the decision being the value, apart from finances, of the memberships to the organization considered.

9. In Baltimore "special appeals for emergencies . . . may be made."

Application of the immunity rule has recently placed a decided restriction upon the Social Service Bureau in Denver in the use of its annual report. The organization included in this report an appeal for funds, but because of that fact was obliged to mail or distribute the report only to those who had not contributed to the Federation—*i. e.*, the people in the city who were presumably the least interested in charitable matters.

Violations of the immunity rule have been reported only in Cleveland, Denver, Richmond, and Salt Lake City. In only one case in Cleveland was the violation serious enough to require action by the Federation. An organization had obtained about $500 from some 100 contributors. The Federation allowed it to close its year with a deficit without giving it any help from the undesignated fund. Among its "difficulties" the Cleveland Federation lists that of "keeping immunity promises to contributors, because

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many organizations feel free to make additional appeals to certain federated friends—with, generally, results unfavorable to the whole plan." In Denver, during the 29 years of the Federation's history, there have been many violations of the immunity pledge. Several annual reports record the fact that the organizations "cannot be expected to keep their pledges not to solicit funds miscellaneously if the subscriptions taken by the trustees do not amount to a sufficient sum of money." A great effort was made in 1909 to re-pledge all organizations, the Federation in turn "purposing to collect the full amount needed," $50,000. The amount collected was but $27,519, and two or three organizations "continued to violate their pledges." A correspondent has recently reported that certain organizations "still continue to make personal solicitations unknown to the Federation." According to another correspondent the people "do not seem to expect that they will get the immunity that has been promised." He writes: "Many of our business men now say that they knew they would be solicited independently of the Federation, and they gave to the Federation less because they knew they would have to so contribute." This writer adds that a "further thing necessary is . . . cessation from secret solicitation." In Salt Lake City the Federation announced as the reason for its dissolution "the failure of certain organizations to refrain from ticket selling and general solicitation, thus overturning the whole basic plan for financing charities."

There is a considerable difference of opinion among federation officials in regard to the completeness with which immunity should be applied. Mr. Norton, of the Cincinnati Federation, writes that "any federation which is up to its job will demand and enforce 100 per cent immunity," and that "no federation can succeed without doing this eventually."

On the other hand, Mr. Edlund, of the Baltimore Federation, and a number of social workers in the affiliated organizations in Cleveland, feel that complete immunity for all givers is unwise. Early in 1916 several of the latter stated that in their judgment less emphasis should be placed on the immunity argument for donors. It is their belief that the prosperous citizen, with family, home, friends, and business in the community, has no valid objection to appeals if they are properly made.

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There have already been discussions in the Federation's Advisory Committee concerning the possibility of allowing certain organizations to appeal directly to specified federation givers. It is claimed by the sponsors of such an arrangement that some contributors do not desire immunity. They prefer to have the various organizations present their appeals from time to time. Three federation contributors, including one of the largest, have made statements to this effect.[1] As proof that many others in Cleveland share this feeling, attention has been called to the fact that when the returns of the impersonal appeal made on Associated Charities Day were analyzed, it was found that nearly half of the money received came from federation givers—people who thus apparently welcomed the appeal but who, because of their previous federation gifts, had been immune from all direct appeals. In response to this feeling, late in 1916, the Humane Society was allowed to appeal to fifteen federation contributors for $1,000 each for its Home Finding Department. Each of the fifteen names was submitted to the Federation in advance.

The case of those who would abolish or restrict the immunity regulation is strengthened by the following incident, reported by a correspondent in one of the federated cities: A large department store, before the Federation was formed, had for several years taken up a Christmas collection, giving the money so collected to the Associated Charities for distribution to the poor. The first Christmas after the Federation was established the firm collected the money as usual and expected the Associated Charities to ask for its annual gift. This the Associated Charities failed to do, presumably because the firm had already given to the Federation, and so was immune. But the members of the firm, irritated that the Associated Charities did not care enough for its gift to ask for it, distributed the funds directly to the poor.

In reply to the contention that immunity is not necessary because sometimes not desired, Mr. Norton, while admitting that "the largest givers, a few hundred who carry 40 per cent of the load," are not annoyed at the appeals by the various organizations,

[1] In Elmira also reference is made by Federation officials to certain "people who are not insistent upon" their immunity rights.

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states his belief that "the heavy majority of givers, who carry 60 per cent of the burden, are annoyed beyond measure."

A social worker in Cleveland who regards immunity as "pernicious in every way" writes:

> It is founded on the notion that charitable appeals are a nuisance and should be reduced to their minimum. This is bad psychology. It suggests to the public the wrong attitude toward our efforts to raise funds. Instead of tacitly admitting that our appeals are necessarily exasperating, we should present them as opportunities for helpfulness, to be taken advantage of or not, according to circumstances.

4. Designations and the Undesignated Fund. In all existing federations except that in Elmira contributors are allowed to designate the organization or organizations to which they wish their contributions to go. In Denver, however, designation was not allowed during the first twenty-four years of the Federation's history. Though designations are possible in Dallas and Richmond, they are very effectively discouraged by the fact that the subscription cards do not contain the names of the affiliated organizations. The fact that the San Antonio Federation did not permit designation is given by a correspondent in that city as one of the reasons for its failure.

Among federations that allow designations a surprising variation appears in the proportion that is left undesignated—left to what is called in several federations the "discretionary fund." This is shown in a table presented on page 250, in which each federation's undesignated contributions are compared with its total contributions. No entirely satisfactory explanation has been offered regarding the wide variations that these figures show—from 28 per cent of the contributions undesignated in Cleveland to 80 per cent in Erie and 94 per cent in Denver. The Cleveland Federation, which has been conspicuous in its avoidance of the whirlwind campaign, has by far the smallest proportion undesignated. All other federations have at least 45 per cent undesignated, and with but two exceptions they all use the whirlwind campaign.[1] Somewhat exceptional also to the general tendency is the fact that the Cincinnati Federation, which uses the whirlwind campaign, has less than half of its gifts undesignated. But this Federation in its campaign did not emphasize giving without designation; it asked

[1] The exceptions are the Richmond and New Orleans Federations.

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canvassers to get renewals from former givers, plus an additional gift for the discretionary fund. By contrast in Baltimore, where 56 per cent was undesignated, gifts of that sort were encouraged by the Federation in a booklet in which contributors were urged to "send a check to the Alliance marked 'Undesignated Fund.' The Board of Award will see that it is expended where most needed."

In general, it seems probable that where whirlwind campaigns are used, the canvassers, so far as they are drawn from the affiliated organizations, encourage undesignated gifts. Their immunity pledges forbid their suggesting that their own organizations be designated,[1] or they feel morally bound not to make such suggestions or to emphasize their particular activity. On the other hand, they know that the federation is expected to use its undesignated fund in such a manner that if possible each organization receives its allotted budget. Mr. Edlund of the Baltimore Federation writes:

> The much larger percentage in Baltimore is due, at least in part, to the fact that we have here a real community of interest among the 12 constituent agencies. We are a group of closely correlated agencies, which is not true in Cleveland, with its great variety of institutions and organizations. Comparatively small cities like Elmira or Erie, which have larger designated funds, probably represent such a community interest to a high degree, whereas large cities like Cincinnati and Cleveland, where the federations embrace a wide range of societies, naturally fall to the foot of the list.

Another feature of whirlwind campaigns tending to undesignated gifts is the fact that a considerable number of new givers is thus obtained—usually small givers. They have no attachments to particular organizations which they wish continued, and therefore they naturally do not designate their gifts.

In Cleveland, a special reason for the smaller undesignated fund is the fact that one of the options printed on the subscription blank is that the subscribers' gifts be repeated and distributed as in the preceding year. In no other city has this option been formally offered. Its use in Cleveland undoubtedly projected into the Federation's first year a distribution of gifts similar to that of the previous year, and has tended to preserve that distribution through later years, and therefore to increase the total amount designated.

[1] Mr. Norton states that this is not so in Cincinnati in time of campaigns. See page 46.

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Federation officials are not entirely agreed as to the desirability of a large undesignated fund. The larger this fund, the greater is the control exercised by the federation trustees over a city's social development. That such a control may be a source of danger seems to be the opinion of Mr. Williams, who believes in a small undesignated fund. Similarly, Mr. Norton holds that an appreciably larger per cent of undesignated money than the Cincinnati Federation now has—45 per cent—would be undesirable. On the other hand, the Erie officials do not regard their undesignated fund of 80 per cent as an unfortunate development.

There has not been a sufficient experience yet in any city to judge whether there is a tendency toward an increasing proportion of undesignated gifts. In Cleveland, among the largest givers, those contributing $100 or more each year during the Federation's first three years, there was a marked tendency on the part of those who had designated all of their gifts at the beginning to leave a part of them in later years to the undesignated fund. Taken as a whole, however, the proportion given to the undesignated fund in Cleveland has remained practically the same for the last three years. In Dayton, on the other hand, the undesignated fund increased steadily, constituting successively 57, 66, and 69 per cent of the whole during the Federation's three years. A similar tendency is indicated in the South Bend Federation. The secretary writes:

> A number of our larger contributors designated to the Associated Charities the first year but gave to the general fund the second year. These contributors are those who understand the situation best and feel that all contributions should be made to the general fund.

Jewish federations have had a longer experience on which to base their observation in this particular. Mr. Waldman states:

> In the experience of most federations the number of designated subscriptions tends to decrease year by year, until it almost entirely disappears, and the so-called "discretionary," or undesignated fund . . . tends to grow larger, and finally almost to equal the total fund collected.

In several cities, through appropriations from undesignated funds, federations have endeavored to bring about what they regard as a fairer distribution of their cities' social contributions than had previously been attained. The previous distribution, it is

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explained, was "not in accordance with the relative importance" of the different forms of work. The former secretary of the Erie Federation explains that in that city before the Federation was formed "some organizations of less importance, but whose work was more spectacular, were laying up a surplus annually," while certain other organizations, doing better all round work, suffered. Under the old régime, it is explained in a South Bend leaflet, it was possible for a "popular and well organized" society to make the most successful appeals. Similarly, a Cleveland correspondent writes that the Federation there "evens things up so that those organizations whose executives or board members are not such good money raisers get more nearly their share."

Federation sponsors claim that the unsatisfactory distribution here pictured is improved by the wiser designations which are made, when contributors have presented to them by the federation a list of the affiliated organizations with the amounts needed by each. Contributors are thus able to judge regarding each organization's claim in its "proper relation to all other activities, equally worthy, and to the work as a whole." Toward the end of the year, if designations have not been in proportion to needs, the undesignated fund is used to make up the difference, so far as possible. In Cleveland, as a result of this designation system and the Federation's advertising of the needs of all organizations, former contributors are now giving to three times as many organizations, on the average, as they gave to previously.

Critics of the federation plan are fearful regarding the adjusting process here described. They see in it a danger that it will be a process of "levelling up and levelling down," and that efficient organizations will find their progress retarded in order to bring up those that are less well organized. If the work carried on by the well organized societies, whose executives are capable money raisers, is developed more rapidly than its relative need warrants, these critics agree that its progress should be checked somewhat, in order that more rapid progress may be made in certain more needy directions; but they doubt very much whether greater wisdom will be shown under the federation plan than at present in making so delicate a decision as this. Mr. Williams denies, how-

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ever, that under the Cleveland Federation at least there is any levelling down of the well organized activities. He writes:

> The big needs have long been in need of exactly this grading up process. In the old days a letter from an organization requiring $1,000 had just as much urge, and a little more heart-throb, than an appeal from an organization requiring $100,000. Many persons who went down the list and gave $10 to everybody are now giving $50 to the Associated Charities. The result is that the increases are shared more equally in proportion to the needs than before.

On page 269 is presented a table regarding the Erie Federation which demands attention in this connection, indicating, as it apparently does, that with certain exceptions the organizations that received the larger contributions before the Federation was formed had the smaller amounts designated to them during the Federation's first year, and vice versa.

The comment made upon this list by the secretary, at that time, of the Erie Federation—that "the three organizations first named had made special efforts to raise funds during the previous year, thus stimulating their gifts during that year"—hardly seems an adequate explanation. Later in this discussion[1] it will be shown to what extent the inequalities resulting from designation were remedied by the Federation through appropriations from its undesignated fund. The list is introduced merely as an indication of the psychology of the giver when faced the first time with the federation contribution blank. A somewhat similar situation is reported from Birmingham. One of those responsible for the formation of the Federation there, who was also the organizer of the Children's Aid Society, reports that "in view of its smaller relative demand, an excess number of givers designated the Children's Aid Society as beneficiary."

In Baltimore also there has been a similar development. If the organizations in that Federation are arranged in the order of their needs (as expressed on the Federation's subscription blank for 1915) it appears that at the end of the eighth month of 1915–16, three of the four organizations with the largest needs—Federated Charities, Henry Watson Children's Aid Society, and Social Service Corporation—had exhausted their designated gifts and had received undesignated appropriations, while such appro-

[1] See p. 145.

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priations had been necessary for only one of the four organizations with the smallest needs. Visiting nurse work is popular at present, and the Visiting Nurse Association was the one large organization which up to the date named had been provided for entirely by means of designations.[1]

Anticipating possible difficulties as a result of designations, five federations—those in Cincinnati, Dayton, Erie, New Orleans, and Oshkosh—have enacted provisions of which the following from the regulations of the Cincinnati Federation may be regarded as typical:

> In case the designated funds of any organization be in excess of the approved budget of that organization, and the designated funds of other organizations be insufficient for their approved budgets, and if the undesignated funds be insufficient to meet these deficits, then the Budget Committee reserves the right to go to the organizations which have a surplus and to certain of their givers and to ask the right of transfer to those organizations with deficits.

The distribution of undesignated funds is a matter of great importance and of extreme delicacy. Criticism, of course, is unavoidable. Thus, repeating a criticism that has come to the Committee from other Cleveland sources, one of the organizations in the Cleveland Federation writes that "great amounts go to organizations affecting merely relief and very little for preventive and constructive work." No evidence, however, has been presented to the Committee that this is so.

The delicacy of the problem is indicated by the regulations adopted in connection with the first distribution made from the undesignated fund in Cleveland, to govern the amount to be appropriated to any organization. These provide:

> *First*, that regard be given to the amount of deficit for the current year only[2] . . . and to deficit incurred for running expenses only.
>
> *Second*, that the amount awarded be kept well under the amount of deficit, thus allowing for (a) gifts through the Federation as designated between now and October 1st, (b) for other gifts received directly and (c) for possibility of revision in the light of later information . . . insuring thus against exceeding an organization's proper share of the total undesignated fund.

[1] At the time these figures were furnished to the Committee no figures were available regarding the complete year. Figures for the full year reveal the same contrast. The comparison is necessarily limited to eight of the 12 organizations.

[2] The more important appropriations from the undesignated fund in Cleveland are usually made near the end of the year. The "deficit" referred to here is undoubtedly the anticipated deficit which undesignated appropriations may avoid.

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Third, that attention be paid to the wishes and interests of Federation givers as directed by their designated gifts. The amount awarded from undesignated funds, that is, should for this distribution not exceed the amounts already sent that institution as designated funds.

Fourth, that the assignment of discretionary funds towards the lessening of an institution's deficit should constitute a request of the Committee on Institutional Efficiency that it confer with the officers of that organization regarding ways and means of avoiding repetition of its deficit in the year ensuing. Acceptance of the money thus assigned will be understood to mean assent to such conference on the part of the organization.

Fifth, the method adopted in this distribution is not to be considered binding in any subsequent distribution. An assignment of money does not represent the Federation's judgment regarding an institution except on the basis of the financial accounts from October 1st, 1912, to August 1st, 1913.

About a year later a revised or enlarged set of "Conditions and Rules Governing Distribution of Discretionary Funds" was printed in the Federation's Bulletin. These are given below since it will be found that only one of them (Number IV) duplicates the previous regulations.

The appropriation out of discretionary funds should in the judgment of the trustees be based as follows:

I. On reports submitted as of the date agreed upon; organizations not furnishing a report as requested are not to be considered.

II. On the amount of operating deficit incurred on the current fiscal year only; accumulated deficits are to be given attention only after current needs have been cared for.

III. On a budget not increased by any considerable per cent except with approval of Federation.

IV. The total amount of discretionary funds in any one year to any one organization should not exceed the amount designated by the Federation's givers in the same year, unless the Committee on Institutional Efficiency is willing specifically to approve its need of and its right to exceptional treatment.

V. Attention should also be paid to the proportion between the total amount apportioned out of discretionary funds and the total amount received by an organization in the form of contributions. In cases where this proportion is shown to be unduly large, the Committee on Institutional Efficiency is to be asked to examine not only the institution's work and methods but particularly its relation to the public.

VI. It is understood, further, that appropriations made on the final discretionary disbursement of the year are to be returned in so far as they are found unnecessary for the avoidance of a deficit.

VII. While it has been necessary, thus far, in the regular disbursement of discretionary funds to regard deficits, increasing stress should be laid upon the fundamental worth of the work to the community, this fundamental worth to be deter-

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mined, as far as possible, by co-operation between the Committee on Institutional Efficiency and the Committee on Research and Publicity.[1]

The various appropriations as thus arrived at by the Committee on Discretionary Funds are recommended to the trustees. The appropriations recommended are then voted in whatever amount is acceptable to the trustees. The Committee on Institutional Efficiency is advised that amounts not to exceed those voted are to be sent to the various organizations as soon as the Committee is willing to assure the trustees that the organizations' efficiency is of the proper standard. The various appropriations are then laid before the various sub-committees, as on relief of the needy, health agencies, etc.; only on the approval of these sub-committees and the final approval of the large committee are the various appropriations finally awarded. The result should certainly represent the utmost thought and study practicable. In the case of the Associated Charities the large amount needed could only be appropriated after receiving a satisfactory report from the Ohio Institute for Public Efficiency after it had made for the Committee an impartial investigation.[2]

In Cincinnati the following rules were adopted in 1916 for the distribution of discretionary funds:

I. All deficits carried over from 1915 shall first be paid.

II. After these amounts (deficits) have been paid, distribution shall be made upon the basis of 100 per cent of the expense of each organization for 1915 including deficits just paid.

III. The Central Budget Committee, in reaching conclusions as to the amounts to be given from its discretionary funds to each organization on this basis, shall take into consideration balances in various treasuries as of January 1, 1916, and future revenues and estimates of revenues from all other sources as reported monthly to the Committee upon forms furnished by it.

IV. Any expenses additional to those sums[3] incurred by the separate organizations shall not be regarded either as an obligation by the Central Budget Committee during the year or as a deficit to be raised by the Committee in 1917 unless the proposed additional expense has been reported to the Committee before it is incurred and is approved by the Committee.

V. Whenever the amounts on hand plus the amounts pledged but uncollected plus the expenses of each organization already paid for 1915 shall exceed the total expenses of all organizations for 1915, the Committee shall proceed to consider requests for increases from the discretionary funds and authorize them according to the urgency of the needs as those needs appear to the Committee.

According to the regulations of the Denver Federation, undesignated funds shall be apportioned "according to the societies'

[1] This provision is omitted in the latest printed form of these regulations—the form that appeared in the Year Book for 1915–16.

[2] See further discussion of this question of standardization on page 201.

[3] Explained to mean "the amounts authorized by the Committee for the separate organizations."

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respective needs, based upon their relative powers of personal appeal and their actual number of charity cases."

Regarding Jewish federations, in which large undesignated funds are more common than in the federations here studied, Mr. Waldman writes as follows:

The distribution of the funds of the federation is necessarily the most difficult function of all. The method employed in most of our Jewish federations has frequently been one of friendly log-rolling. Seldom, if ever, is the apportionment based on a study of the conditions involved. In Chicago the income of the Federation is one-half million dollars more annually than it was fifteen years ago, that is, six times as much; but in all this time no formulated or consistent attempt has been made to determine whether this increased tax upon the community has been intelligently expended.

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CHAPTER III

CONTRIBUTIONS—GENERAL

1. Introduction. Federations vary much in the extent to which they attempt to collect the entire amount of contributions the affiliated organizations need. In Cleveland and Denver the organizations are expected to have a considerable supplementary part in the money raising, being limited, of course, in their appeals, to those who do not give to the federation. In Cincinnati, in 1916, the organizations collected about one-seventh of the total. In all other cities the federation attempts to collect practically the entire amount needed. Under either system it is evident that the financial responsibility of the affiliated organizations is lessened. In regard to Denver—where a large amount of direct collection is necessary—a very competent correspondent points out what seems to be a result of this lessened responsibility on the organizations themselves. He writes:

> When a city has attempted to raise funds for its charities through one central bureau, the dependent agencies lose the knack of doing it, and whether they like it or not, they become dependent upon the central agency to an extent which leaves them helpless in the face of the necessity for raising all their own money. . . . In Denver it is not a question of what one would like to do if he were to start anew. The Federation could not be dissolved tomorrow and twenty individual agencies take its place. Its dissolution would carry with it the death of at least half of the agencies and a bitter, heart-breaking struggle for years for those that remained, crippling their work . . . and setting back their progress for the entire interval. It would be a brave man who would counsel such action and, in my judgment, a very rash one.

This writer refers to an organization which withdrew from the Federation because it objected to some of its restrictions. In three months it came back into the Federation, its officers saying that they did not know how to raise money, and that there was no money in the city for them.

Federation sponsors hold that under the federation plan givers

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become more liberal. In 1913 Mr. Williams explained what in his opinion is the psychology underlying this, as follows:

Mr. X. sent in his pledge of $300 and promised designations a week later. When the list was received it showed 42 organizations sharing $340 instead of the promised $300, an increase of nearly 15 per cent. In 1912 he gave to 13 federated organizations a total of $87.30. Some of the largest givers proved to be entirely ignorant of the amounts they were giving. A willingness to give as much as they thought they were giving has generally meant a 50 to 100 per cent increase of actual gifts. Undoubtedly the competitive or multitudinous method of appeals gives a man the feeling that his gifts are greatly in excess of the actuality. We find, however, that he is willing to give what he thinks he is giving.

On page 25 Mr. Edlund of the Baltimore Federation calls attention to another reason for increased gifts. Federation critics hold that in the case of many givers, particularly givers of moderate sums, federation methods result in smaller rather than larger amounts.[1] A Cleveland correspondent writes:

Another unwise policy of the local Federation, in my opinion, is to urge, almost insistently, that the contributor state at the beginning of the fiscal year what he will give for the coming twelve months. The result cannot fail to be that the conscientious giver pledges himself only for an amount he feels *sure* that he can give, *i. e.*, for a minimum sum.

The same writer points out the alleged "disheartening effect" on the giver of the large subscription blank of four closely printed pages, such as Cleveland's blank.[2] It is also asserted by critics that the lump sum immune giver, for reasons discussed more fully in a later chapter,[3] tends to become a less informed and less interested giver; and ultimately, therefore, a less generous giver.

A common fear regarding the federation plan, in the minds of outsiders, takes the form of a doubt as to where the increases will appear. Thus, an experienced social worker who has been in touch with the work in one of the federation cities writes as follows:

I still know and feel keenly all the arguments against the Federation, how it leavens down to the measure of the weak and inefficient and the uninspired, and how these have to be carried as dead weights by the strong and progressive.

[1] The only figures obtainable on the basis of which one may judge whether there is foundation or not for this criticism are shown on page 144. They relate to the Erie Federation's first year and do not support the criticism this correspondent makes. Small contributors as well as large contributors increased the amounts given, though not in so marked a proportion.

[2] A copy of one of these blanks is shown on pages 172 and 173.

[3] Page 167 ff.

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There is evidence that one group of organizations—those newly organized—tends to have financial difficulty under the federated régime—at least in federations in which the undesignated fund is small. Such organizations have developed no constituencies of their own, and designations to them are as a rule comparatively few. They are thus compelled to look to appropriations from the undesignated fund. This fund is subject to pressure from all sides, and certain of the new organizations, particularly in Cleveland, have felt, therefore, that they were not able to expand as rapidly as their work in these initial years demanded.

In the following pages the federations are considered comparatively, and on page 116 ff., each federation is considered more fully by itself. Figures are also considered for associated charities[1] in the federated cities and for the sake of comparison in 27 unfederated cities. The federations are located in both large and small cities and the societies used for comparison were, therefore, selected from both types of cities. Societies were selected from which it was felt that reliable figures could be obtained on questionnaires. There was a slight further selection because it was felt advisable to exclude from the list any societies in which there had been decided reorganizations during the period considered, for the finances would naturally be reorganized also, and unusual and unrepresentative rates of increase shown.

As a further basis of comparison it is to be noted that, according to the findings in 1913 of the Committee on Benevolent Associations of the Cleveland Chamber of Commerce, contributions to social agencies in that city in two years and a half prior to January 1, 1910, showed an increase of 18.9 per cent, namely, from $482,407 to $573,562.[2] This is equivalent to an increase of 7.2 per cent per year.

In a federated city it is necessary to know not only what contributions have been received by the federation itself, but also the amount received direct by the affiliated organizations. *The total of these direct contributions and the federation's own contributions is*

[1] Such societies are sometimes known also as charity organization societies, united charities, social service leagues, etc.

[2] Report, 1913, pages 6 and 19.

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referred to in this report whenever the phrase "total contributions under the federation" is used.

2. Contributions by Years. On pages 248 and 249, comparisons are presented between the pre-federation year in each city for which figures are available and the initial federation year; also between successive federation years. The general increases, and occasional decreases, which these figures show have been summarized and discussed on pages 20 to 24.

3. Deficits. A table has been prepared but is not presented here, comparing the contributions of each federation in each year with the amounts announced as representing the organizations' needs or their budgets. The quite general failure of contributions to meet the announced needs which these figures show—especially in the federations' first years—is to some extent due to an optimism regarding the financial future which the formation of the federations generated. This suggested plans for expansions that otherwise would probably not have been regarded as absolutely necessary.[1] This is shown by the fact that most organizations in the various federations have not incurred deficits[2] even when their total contributions have not nearly equaled their so-called "needs," as set forth in their budgets.

Only four of the federations—those in Cincinnati, Dallas, Dayton, and New Orleans—have considered it their function to assume

[1] See page 91.

[2] In the calculation of deficits for the purpose of this study two definitions of the term have been established. When only a single year is considered, or when several years are considered together as a single fiscal period, the deficit has been defined as the excess of income disbursements over the sum of income receipts and the income balance brought forward from the preceding year or period. Such a deficit is equivalent to what an organization received from the principal during the period —by borrowing or otherwise—if not repaid to principal, less the balance on hand at the end of the year. This figure is a satisfactory one for the purposes of this study, for its aim on the financial side is to learn to what extent the money raised under the federated régime was or was not adequate to cover the necessary expenditures. It is not proper, however, to calculate a deficit in this manner for each year in a series of years, for balances carried forward would thus be taken into account in the receipts of more than one year. Therefore, when successive years are considered seriatim the new deficit incurred in each year is defined as the excess of income disbursements over income receipts.

In each city deficits are compared with total contributions. A preferable basis for comparison would be total disbursements, but figures for them are not available in most cases. Deficits are therefore referred to as "equivalent to" certain per cents of the total contributions. In some instances figures for total receipts are available and comparison is made with them.

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the deficits, in whole or in part, incurred by affiliated organizations within the limits of their approved budgets. Mr. Norton writes:

> Our general policy now is to have the Central Budget Committee borrow if any of us have a deficit that comes within the budgets allowed. It is the fair way to treat the organizations, and it helps keep them happy.

The deficits incurred by the Cincinnati, Dallas, Dayton, and New Orleans federations have been mentioned above (p. 27). The situation in Erie is described by a correspondent who writes as follows:

> The Federation has taken the stand that the Boards of the individual organizations are ultimately responsible for the raising of funds, and that any deficits incurred will have to be provided for by them. In practice it has seemed to our directors that the existence of the Federation has made it impracticable for them to raise funds independently, and yet responsibility for any failure to raise funds falls, not on the Federation, but on them.

In spite of this policy the Federation in its first year incurred a deficit of $2,368, equivalent to 3.7 per cent of the total contributions under the Federation.

All active federations were asked to report the deficits incurred by their affiliated organizations since the federations were formed. Reports have been received from the federations in Dayton, Elmira, Oshkosh, and Richmond that no such deficits have been incurred, and an official of the South Bend Federation writes that no deficits have been reported to it by any of its organizations. For the six other federations the deficits incurred by certain organizations are shown on page 251. In Cleveland they were incurred in each of the Federation's four years by from 19 to 24 organizations. In 1915–16 they were equivalent to 14.2 per cent of the total contributions under the Federation. In Denver, in the three latest years studied, deficits were incurred by 15, 11, and 9 affiliated organizations, but their amounts were in decidedly decreasing proportion each year to total receipts. Of the four other federations, those in Baltimore and Cincinnati report no deficits of this character except in their first and incomplete years. The Baltimore deficits were equivalent, in that year, however, to 15.0 per cent of the total contributions under the Federation. The "net deficit"—$30,208, representing the difference between the deficits that six organizations incurred and the surpluses in the hands of five others

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—has been assumed for payment by the Federation. The four deficits incurred in the Erie Federation's only complete year were equivalent to 15.8 per cent of the total contributions under the Federation.

4. Associated Charities' Contributions in Federated and Unfederated Cities. Figures somewhat similar to those just discussed regarding federations are shown on pages 256 to 257, regarding associated charities in federated and unfederated cities. Their general significance has been discussed on page 32. If they are studied for the sake of comparing the Cleveland Associated Charities and the corresponding societies in the 26 unfederated cities, the following facts appear:

1. That society's increase in contributions—147.0 per cent over the basic year 1911–12—very much exceeds the average, 50.6 per cent, for the unfederated societies. Ranked in a list with those societies by this per cent of increase, it stands fourth from the top in the first year, third in the second year, tenth in the third year, and first in the fourth year.

2. Its contributions have increased without interruption. This is true of only four of the unfederated societies. Of the remaining 22 unfederated societies[1] 13 have had one decrease in the same period, eight two decreases, and one three decreases.[2] In Cleveland, however, there had also been steady increases before the Federation was formed.

The general conclusion indicated is that, *in the matter of increasing contributions*, the Cleveland Associated Charities has been considerably more prosperous than most unfederated societies.

5. Associated Charities Deficits in Federated and Unfederated Cities. In the matter of deficits incurred in 1915–16 it appears from figures shown on page 260 that the associated charities in federated cities were somewhat better off than those in unfederated cities. Only two of the 11 societies belonging to federations in existence in that year incurred deficits, as contrasted with nine of the 26 societies considered in unfederated cities. But in three of the cities in which the associated charities incurred no deficits—those in Cincinnati, Dayton, and Dallas[3]—the federations incurred

[1] The Baltimore society is not considered in this connection because it became a "federated society" in the middle of the period.

[2] When a decrease in contributions occurs, the per cent of increase shown on page 257 declines, for it is based, in each case, upon the first year.

[3] See page 27.

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deficits on behalf of the affiliated organizations among which they were included. The striking exception in regard to deficits in 1915–16, and also regarding accumulated deficits,[1] is the Associated Charities in Cleveland. Its deficits in each federation year have been referred to on page 33—especially its quite unparalleled situation in 1915.

[1] See page 261.

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CHAPTER IV

CONTRIBUTIONS—CLEVELAND

FINANCIAL data regarding the Cleveland Federation is incomplete, due chiefly to the fact that so large a proportion of the contributions, 28.9 per cent in 1915–16, has been raised direct by the affiliated organizations.[1]

1. Direct and Federation Collections. The proportion received through the Federation varies greatly from organization to organization. In 1914–15 two of the 56 organizations received 90 per cent or over of their contributions through the Federation, and eight received 80 and less than 90 per cent. At the other extreme were five organizations that received 10 and less than 20 per cent through the Federation and four that received less than 10 per cent. During the Federation's four years the Associated Charities received successively 33.3, 66.6, 55.6 and 56.7 per cent of its total contributions through the Federation.

Harry Hoak, formerly secretary of the Baltimore Federation, and previously engaged in financial work in Cleveland with two of the affiliated organizations, holds that it is a weakness in the Cleveland form of organization that it raises only a part of the contributions needed. Because of this fact the organizations are forced to make a very hard fight for the balance since the field to which they are restricted is a relatively sterile one. Several Cleveland correspondents take the same position, asserting that the Federation should "assume the total load" and free the organizations from the necessity of doing anything more than to "co-operate in maintaining interest." On the other hand, the secretary of the Associated Charities believes that the Federation should not collect the entire budgets, although in his opinion it should more and more nearly approximate this. He writes: "There always will be a certain amount of money that any one organization can secure from those

[1] This proportion has been decreasing steadily in the Federation's four years, the per cents being successively 68.6, 41.8, 38.5 and 28.9.

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interested in that distinct type that would not otherwise be donated."

There is evidence that constant urging by the Federation has been necessary to keep the organizations up to their part of this dual responsibility. A Cleveland correspondent who is in favor of the federation plan refers to the "tendency on the part of some of the trustees to slip out of their responsibility."

2. Contributions by Years. On page 248 figures are shown by means of which the contributions of affiliated organizations, before the Federation was formed, may be compared with those of the first federation year. A 31.4 per cent increase is shown. Comparable figures for contributions in the four federation years are shown on page 262. Direct contributions and federation contributions are shown separately. The totals in the four successive years were $429,180, $477,183, $480,183 and $543,656. These increases have been discussed on page 23.

3. Increased Amounts Given. As to the increased amounts given by former contributors, the Federation offers figures which have been arranged in tables presented on page 263. These show that former contributors, in so far as they gave to the Federation in its first year, increased their gifts by 57.5 per cent. The corresponding increases in the second, third, and fourth years were, however, but 11.0, 1.4, and 7.3 per cent respectively.

The Federation has prepared the following summary of the increases and decreases that occurred in the first three years:

> Thirty-eight organizations are comparable for the entire three years. Of these, 29 show increases . . . of 69 per cent in 1914–15 over 1911–12, the year before the Federation was formed. Nine . . . show decreases . . . of 23 per cent. . . . (Of this decrease . . . all but $1,160 pertains to two hospitals whose income exceeded expenditures, in the latest year, by $10,593.) Thirteen other organizations show correct comparisons for two years, *i. e.*, the third year of the Federation, compared with the first. Of these, 11 show an increase of . . . 77 per cent. Two show a decrease . . of 11 per cent. (These two are hospitals which show a surplus of $681 in 1914–15.) . . . Five organizations show no comparable reports for either two or three years, because "not organized," etc.

In regard to organizations whose total contributions have not increased, the Federation states:

> There may be a multitude of reasons for failure to show financial growth. One organization may *need* no increase of work or money. Another may have lost con-

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tact with the public too far to be helped to "come back," as yet. Too few friends of another may have joined the Federation to permit much to be given from discretionary funds. The efficiency of another may not have warranted discretionary grants or secured the confidence of givers. Another may have been unwilling to make the necessary efforts to retain the gifts of non-federated givers for which it remains responsible.

In the Federation's Bulletin for November, 1914, it is stated that:

It is, of course, quite apparent that a discretionary fund of $55,000 cannot possibly be expected to make up for all the inequalities of definitely designated gifts, totaling, counting federated and unfederated givers, $470,193[1] for the year. Deficit in one organization and surplus in another are likely, therefore, to occur.

4. Deficits. The deficits incurred by from 19 to 24 organizations each year are shown on page 251. In each year, however, these were more than equalled by balances in the hands of other organizations. The more serious deficits are the ten shown on page 264, for in each case these exceeded $1,000 and were equivalent to more than a fifth of the organizations' receipts in the year from all sources—earnings, investments, etc.—not simply from contributions. Thus, in 1915–16 the Boy Scouts had a deficit of 42.1 per cent, and the German Hospital one of 41.0 per cent. The large deficits of the Associated Charities have already been referred to. The situation in that society at the end of the Federation's first year was described in the *Survey* for October 18, 1913, as follows:

A sharp emergency call was rung in at the offices of the Federation during June, when the Associated Charities suddenly announced that the funds on hand were so inadequate that unless $10,000 were received by July 1, a month's notice would be given to all employees, the society's doors would close and all work be stopped August 1. The Federation promptly shouldered the responsibility of securing the needed funds, with the signal result that on July 1 the Associated Charities found itself in better condition than ever at that season.

The fact is that the Federation's year had closed over two weeks before this statement was printed. The society's deficit was $5,070. Its financial problem, at the end of the third year, 1914–15, seems to have been more serious. The following is quoted from one of its appeal letters issued in September, 1915:

. . . As matters now stand we are faced with a deficit of $20,000. . . . This debt would be a staggering burden with which to begin the new year's work.

[1] This figure varies slightly from that shown on page 262, for the latter is based upon a revision of its printed figures made by the Federation.

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It would cripple our activities, dishearten our workers and mean increased suffering for the poor.

The year closed at the end of the month in which this was written with a deficit of $39,609, later reduced to $19,002 from the next year's receipts.

In explanation of certain of the deficits that have been incurred, Mr. Williams writes that at the close of 1913–14 appropriations were made in some cases for their cancellation, but that the checks failed to reach the organizations in time to change the annual report as printed. "In some cases," he adds, "our best efforts to exclude matters like building funds failed. . . . Excess of expenditures over receipts would not receive federation attention very seriously if the excess was simply charged against a working surplus. . . . In some cases the Federation purposely allowed deficits as a sign of its disapproval; thus the ———, which had failed to make any budget. . . . The ——— was refused discretionary appropriations in view of its failure to show why the services of a financial solicitor should be retained in spite of inability to secure funds."

In the Federation's third year the Volunteers of America withdrew from membership, for reasons which were in part financial. A summary of the situation appeared in the Federation's Bulletin for February, 1916. Increased difficulty in obtaining gifts from unfederated givers had been reported by the organization. The Federation's efforts to direct the organization's two solicitors into better fields were fruitless. An agreement was then signed between representatives of the two organizations, in accordance with which the Federation was to give financial assistance for certain departments, on condition that no general appeal should be made for them. The Federation gave the promised assistance, but the national headquarters of the Volunteers refused to ratify the agreement, and the organization itself continued to solicit in violation of its terms and did not return to the Federation the money paid to it under the agreement. The Federation then concluded that "in view of the gradual discontinuance of the work due to causes over which it had no control, it would not continue to appeal to its contributors for work practically no longer in existence and found to be no longer needed."

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The preceding paragraph was submitted to the national headquarters of the Volunteers of America and the following statement has been received in reply:

At the time the Volunteers of America became affiliated with the Federation our representatives in that city turned over to it a bona-fide $5,000 asset in a list of Cleveland contributors. It was distinctly understood that our representative was not permitted to visit these donors in person. It was also understood that the Federation would give our representatives the equivalent of this sum annually. . . During the first year there was a shortage in the receipts through the Federation of nearly $1,500. During the second year there was practically the same reduction. . . . As a result, the benevolent work—which brought temporary relief to 500 children in toys, clothing, etc., at the Christmas season, to 2,490 in the way of food, to 750 families in the way of personal cheer, and to 790 men in friendless, homeless, shelterless condition—was practically closed; the fresh-air camp, to which 110 small children were received for an average of ten days in country surroundings, was also closed. The work of the young women's home, through which 74 girls had passed and through whose instrumentality nearly 100 young women were assisted, was seriously injured; and other similar branches of work had to be curtailed, occasioning bitter disappointment to those who were temporarily assisted and relieved.

Mr. Williams replies that this is "not a proper statement of the matter . . . and arises out of a misunderstanding of the relation between the funds for which the Federation assumed responsibility and those for which the Volunteers continued to be responsible, but which they failed to obtain by their continued canvass."

5. Testimony. Two expressions of opinion regarding the results of the Federation on the financial side[1] have been received from federation officials. The first quoted is from Mr. Williams, who wrote as follows, early in 1916, after reviewing the accomplishments of the Federation in obtaining "more dollars, more effective dollars, more givers and happier givers":

After careful study of all the facts, it is our conviction that federation has secured genuine and valuable gains in all these four lines. Opinions will vary as to their complete satisfactoriness.

But after listing the disadvantages encountered, he adds:

Considering advantages and disadvantages it is doubtful if federation is worth the required effort for increased efficiency of expenditures by organizations and increased satisfaction of givers by its gains.[2]

[1] For *general* testimony regarding the Federation see page 232.

[2] Mr. Williams' final conclusion is that the Federation *is* worth the effort, because of its accomplishments in non-financial lines—*i. e.*, because through it

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The second expression of opinion is from Rev. James D. Williamson, the treasurer of the Federation. In October, 1916, after referring to the confidence that Cleveland contributors had in the plan, and the improbability of a return to the old régime, he added:

> But I do not believe I would counsel any other city to try our plan if the chief purpose in mind is an increase of the sum total of gifts. I am not sure that the Federation could justify itself on that basis.

From certain affiliated organizations, and from federation literature and letters, additional testimony has been received, sometimes confirming, sometimes qualifying, that furnished by the Federation directly.

From several social workers communicated with early in 1916 statements were received to the effect that while many organizations had been benefited financially it was felt that several important agencies had been and then were in serious financial straits, with the result that some of the most valuable work in the city had not been extended. It was felt that there was need of immediate and intensive effort to get sufficient money to place all federated organizations on a sound financial basis. One of these correspondents reported in February, 1917, that the financial straits referred to were taken care of later on, and that an intensive financial effort was actually made subsequently with good results. Another of these correspondents believes that the situation has now so changed that there is much more hope of a successful culmination, the present plan, in his judgment, being fundamentally right.

During the summer of 1916, four of the affiliated organizations wrote as follows:

> 1. For about eighteen months all organizations were well pleased. . . . Then it became necessary for many of them to do such hard work to supplement the money that came through the Federation that some of them have become dissatisfied. . . . Many organizations are complaining. I do not think they know what is wrong, but they know something is.
>
> 2. A number of organizations here, despairing of requisite funds, have threatened to leave the Federation. . . . This method has in several cases proved successful.
>
> 3. There has been considerable criticism to the effect that, though the Federation

there has been obtained "a better informed and more unified Cleveland." Reference is made to the educational and social work carried on by the Federation, as described in later chapters.

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precludes soliciting funds (from Federation givers) for current expenses, it does not provide sufficient to keep certain valuable organizations on a good running basis.

4. One can never extract from the Federation a promise for more than last year's budget, so that every one feels hampered in plans for expansion.

In an appeal issued by the Federation in 1915 it was stated that:

A threatened deficit of more than $40,000 in the expenditures of last year (all cut to the bone) had to be met by a special appeal to a few people who had already done their full share. We hope it will not recur.

An editorial in a Cleveland paper, published also in 1915 under the heading "An Emergency Appeal," is in part as follows:

The appeal of the Federation is on behalf of a group of organizations which comprises its membership, and each of which found the past year of its history perhaps as trying as any that had gone before. In several cases it was found necessary to secure loans in order that worthy appeals for relief might not have to be refused. For the payment of these loans and in order that the federated philanthropies need not begin their new year burdened with these debts of necessity, the present unusual appeal to the generous people of Cleveland is made.

A principal reason, if not the chief reason, why the Federation has permitted certain entertainments, bazaars, etc., is financial necessity. The Federation explains that it has had difficulty in discontinuing these, "pending a completely satisfactory increase of givers and gifts."

Some of the criticisms received relate not so much to the fact that the total amount collected by the Federation is inadequate, as that this amount is improperly distributed. One correspondent states that the "Associated Charities received abnormal increases of funds." Another writes: "There is a decided feeling here that some organizations get more than they used to get and some less. We hear it said that the cripples, the blind, and the babies are better off than they ever were, while other organizations, like our own, that make no sentimental appeal, are put to it for support." By contrast, one organization refers to the fairer distribution of contributions under the federated régime.

Other criticism relates to certain of the Federation's published figures. Several of the affiliated organizations characterize these as "unintentionally misleading."

Of the 56 organizations in the Federation in 1915–16, 33 replied

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during the summer of that year to the Committee's inquiries.[1] Much of what these organizations write cannot be quoted, because the letters were written in confidence, and the quotations would identify the organizations. Wherever it is stated that an organization's reply is not quotable, this is the reason.

In all summaries of the replies received—both those that follow at this point and those that appear later on in connection with other federations—the statements or quotations are arranged so that those that are most favorable to the Federation stand first, and those least favorable last.

The 33 replies received include 27 from organizations whose contributions had increased.[2] These 27 are summarized as follows:[3]

I. Thirteen organizations report as to the financial advantage or lack of advantage of the Federation to them—one, that the Federation has been "quite a help"; another, that it has increased contributions; another, that now it (the organization) makes very little effort to raise funds; another, that its progress has not been limited; and another, that it has a sense of security because in emergencies it can ask for a share of the undesignated fund. Thus the preceding five and one other report advantages. Of the remaining seven in this group three report that the Federation has not been a financial advantage; and two organizations that contributions have been less since the Federation instead of increasing as the Federation figures show.[4] One of these states that "we, and other organizations as well, feel the work has been much limited by the lack of funds . . . not equal to previous amounts given independently.

II. Eight organizations compare the rate of increase of their contributions with the rate at which contributions were increasing before the Federation; one reporting a more rapid increase; six reporting no change or not any more rapid increase; and one being uncertain.

III. Ten organizations state whether the growth in contributions has kept pace with the growth of the organizations' needs. Five of these state that the growth has thus kept pace; one explains that this has been chiefly through the efforts of the organization's own representative; and four others, that the increase has not been sufficient to allow for growing needs, extension, etc.

[1] Two organizations which did not reply to the Committee's inquiry had replied, a few months earlier, to inquiries from a city in which the formation of a federation was being considered. These two replies are quoted in the summary which follows.

[2] See page 117.

[3] All organizations were asked the same questions, but their replies varied greatly in completeness and exactness. It is chiefly for that reason that only part of the organizations are quoted on each point.

[4] There have been two other instances such as this in which the organization denies either that its total contributions have increased at all, or that they have increased to the extent the Federation figures indicate. It has not seemed worth while to protract correspondence in order to explain the discrepancy.

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The six organizations whose contributions have decreased report only in regard to the advantages or disadvantages and only three of these replies can be quoted, as follows:[1]

We are handicapped, in going to those who contribute through the Federation . . . many of whom would become interested in our organization could our representative make a personal appeal, setting forth our work and our needs. Our trustees are inclined to withdraw from the Federation if it does not soon reach a place where it can turn over to us at least as much as we could raise by being independent or non-federated. [In the Federation's fourth year this situation improved somewhat.]

Almost all of our contributors joined the Federation at once, and some, being confronted with other work on the pledge blank, divided their gift to us with other organizations.

Of no advantage to us financially. . . . The decrease [between certain years] has represented not a decrease in need but a decrease in what we received from the Federation, and is entirely unsatisfactory.

In the Federation's first three years there are 155 instances in which comparison is possible between the budgets of the 56 organizations and the total contributions that each received. In 57 of these instances the contributions were greater than the budget, and in 98 they were less. In the Committee's letter each organization's figures on this point were quoted, and whenever the variation was large, an explanation of it was asked. In order to reduce the length of the following quotations, the replies have been omitted whenever they are in explanation of an excess of contributions. In such cases the explanation ordinarily was that the needs had been underestimated—it had become necessary to expand the work unexpectedly in certain directions. In almost all such cases, also, the proportion of direct money raised by the organizations is unusually large, this fact indicating that the organizations themselves had been chiefly responsible for the excess of contributions over budget.

When contributions were much below the budgets, the question asked was usually as follows:

Do these figures mean (a) that the "needs" proved to be overestimated, or (b) that needed expansions were not possible?

Most of the organizations to which this inquiry was put did not

[1] The statements of the two others if quoted would reveal their identity. A third was a new organization which had no contributing constituency. It, therefore, received very few designations through the Federation and has found it very difficult to get direct contributions.

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reply to it definitely. The thirteen replies received show needs overestimated in three cases and not overestimated in ten cases. In one the shortage in contributions was made up through gifts of food; but in five, as a result, needed expansions were not possible. Still another states that its needs had increased instead of being overestimated; and another that "had we the opportunity. . . as before the Federation, we feel our contributions would be nearer meeting our needs."

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CHAPTER V

CONTRIBUTIONS—OTHER FEDERATIONS

1. Baltimore. The situation in Baltimore is complicated by the fact that the first fiscal year of the Federation ("Alliance of Social Agencies") covered but seven months—April 1 to Nov. 1, 1915. Therefore only the second fiscal year, 1915–16, is usually considered in the following paragraphs.

Figures for the year preceding the Federation can be given for but eight of the twelve organizations. The "total contributions" were $164,820 in 1913–14 and $228,026 in 1915–16, the Federation's first complete year, an increase of 38.3 per cent in the two years. Each of the eight organizations, as shown on page 265, shared in this increase, with the exception of the Prisoners' Aid Association. The decrease shown for that association is explained as due to the fact that in the earlier year the contributions of $9,087 included a gift of over $3,000 from a generous benefactor who has since died. In the year in which he died the association received its first state appropriation, which has served to take the place of this large gift. The director of the Federation states that the association's budget "is larger now than it has ever been."

During the year 1915–16 the total contributions received by the 12 organizations in the Federation were $245,423, of which $156,891 was received through the Federation and $88,532 was received direct.[1]

Evidence as to the adequacy of these contributions seems a little contradictory. In a leaflet used in the campaign early in the current year, 1916–17, it is stated that in 1916 "by rigid economy and the use of resources not again available to the same extent the year

[1] The affiliated organizations in this city do not make any general direct solicitation for funds. Almost all of the direct contributions are accounted for by the amounts received by the Federated Charities for special family relief, and by the tuberculosis society from the sale of the Red Cross Seals, together with contributions to the Social Service Corporation received from a few who several years previously had guaranteed to it certain amounts yearly.

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closed without a deficit." On the other hand, the director of the Federation writes as follows:

> Every agency carried on its normal work, met all the reasonable demands upon it, and ended the year without any increase in the Federation deficit which existed when the year began. Indeed there was a net surplus of approximately $3,000.

In this connection it may be noted that for the current year the Federation has announced needs of $300,000, as compared with but $245,423 collected in 1915–16.

No figures have been furnished by the Federation regarding former contributions which were not renewed under the Federation, nor regarding the increased or decreased contributions of those who continued to give. On this point, however, the Federated Charities, one of the affiliated organizations, submits the figures shown on page 258. They refer only to contributions that were designated to it. They indicate something as to the psychology of the giver, but nothing as to the organization's comparative income in the two years from contributions. Out of a total of 507 persons who had given in the preceding year, 171 gave larger amounts in the Federation's first complete year, 130 smaller amounts, and 206 the same amounts. There were 127 new subscribers. The increased amounts much more than offset the decreased amounts; but it should be recalled that the figures do not consider at all the former givers who failed to renew in the Federation's first year. As a rule, the increased amounts were pledged by the larger subscribers. This is indicated by the average subscription of those who increased their contributions, $30.50, as compared with but $20.95 for those whose subscriptions represented a decrease.[1]

Letters have been received from seven of the 12 affiliated organizations, five of whom replied to the inquiry regarding the financial advantage of the Federation to them. Three reported such advantage, one of them referring to the "more stable basis" attained and to the "great satisfaction all around," and another to the fact that its gift income had probably increased more rapidly than before the Federation. Of the two others one reports that it is too soon to judge, and the other that "it remains to be seen if subscribers continue and increase as we trust they may." Five organizations replied as to the extent to which their needs were met, all reporting

[1] See a similar showing regarding the Erie Federation on page 269.

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that their complete budgets were raised. One of them states that "practically" the full amount was raised; another that its budget was increased rather than decreased.

2. Birmingham. No record is obtainable of the results of the "Tri-Charities Campaign" in Birmingham, Ala. The president of one of the three organizations is under the impression that most givers did not increase the total amounts they had previously contributed. More often, he thinks, they gave less than their previous total.

It was money raising only that led to this quickly, and therefore inadequately, organized effort. The Associated Charities was having great difficulty in raising its funds. The Children's Aid Society, just formed, desired to extend its work. It was hoped that by means of the Tri-Charities Campaign more money could be obtained for all three. The officer above quoted thinks that the Associated Charities and the Tuberculosis Society received less than previously, and that the Children's Aid Society received about the same.

3. Cincinnati. The situation in Cincinnati is complicated by the fact that a campaign was conducted in the spring of 1915 for funds to cover the remainder of the calendar year, and that in December there was another campaign for the full calendar year 1916. During the first period twelve organizations belonged to the Federation ("Council of Social Agencies"[1]) and in the second twenty-one were included.

The Federation has furnished figures shown on page 266, which indicate that there was a 29.0 per cent increase in contributions to affiliated organizations in the Federation's first year as compared with the previous year. There was a discrepancy of nearly $26,000 between the total budgets announced and the receipts. That the budgets were excessive is shown by the fact that the Federation had to borrow only $11,000 to close its first year.[2]

On page 267, the contributions of each of the 21 affiliated organizations in the first (complete) Federation year are compared with the contributions each organization received in the pre-federation

[1] That is to say, they shared in the joint collection of funds carried on by the Council for part of its organization.

[2] Because of a balance of $3,135 the Federation's net deficit at the end of its first year was but $7,865.

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year. Four organizations more than doubled their contributions. In only three cases was the increase less than 15 per cent. In one case there was a decrease—51.1 per cent.

The Federation sums up its financial experience thus:

> We think the federation has produced more money for the organizations than could have been produced on the competitive basis. We can't prove it but we know the situation and firmly believe it. We also know that a federation in its first year has to overcome all sorts of doubts, hostility, and unbelief. It finds the going easier in each succeeding year. The community is really quite well pleased with our success for 1916.

Letters on this phase of the subject have been received from but thirteen of the twenty-one[1] affiliated organizations. Seven of these replies are not quotable without disclosing the organization's identity. Of the six remaining organizations, four report financial advantage from the Federation, two of them explaining that they are now able to do more work, and another that it is now "very much better off." The fifth organization states that its full budget was not raised, and the sixth that the Federation was of "no financial advantage" to it. In this connection the statements quoted on page 238 should also be considered.

4. Dallas. The Federation in Dallas ("Federated Charities Finance Association") completed its first year on December 1, 1916. A budget of nearly $54,000 was announced to cover the needs of the eight affiliated organizations, but only $29,021[2] was collected. In addition $10,971 was received direct by the United Charities in special family contributions from the relatives, employers, etc., of the dependent families. The total contributions under the Federation were, therefore, $39,992. Regarding the budget and the year's financial experience, the Federation wrote in November, 1916:

> The budget was not overestimated, but as the total was not subscribed, it became necessary for all organizations to curtail their activities and expenses so as to come within the amount subscribed.

Another correspondent writes that the Federation "borrowed some money and managed to live through the year." Late in 1916

[1] The Council of Social Agencies, which is one of the twenty-one organizations, was not addressed in this connection.

[2] The Federation's books show contributions of $37,021, for they include $8,000 which represents contributions received in the campaign at the beginning of the second year and used to cancel a loan made near the end of the first year. See page 27.

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the Federation conducted a campaign for the second year, in preparation for which it was announced that each organization had most carefully estimated its needs for the coming year and that these estimates had been verified and approved by the Federation. They show "the urgent need of $90,000."

In amplification of the Federation's statement that the organizations during 1916 were obliged to curtail their activities, the following is quoted from articles that appeared in one of the local papers during January, 1916:

> Yesterday the United Charities was forced to stop helping a family of five, the mother of which is in an advanced stage of tuberculosis. . . . The United Charities has also been forced to stop giving assistance to an aged couple. The man is in the very last stages of consumption and the woman is badly in need of an operation.
>
> A decision to work more actively in support of the Federated Charities Finance Association campaign for funds for the eight federated philanthropic organizations of Dallas was reached yesterday afternoon by the directors of the United Charities in executive session. . . . Conditions in Dallas were discussed at length, including many reports of great need and suffering among the poor in the city, which cannot be relieved at present by any of the eight federated city-wide charitable organizations on account of lack of funds.
>
> The United Charities is now out of funds and its work is at a standstill until more money can be obtained.

The Federation reports that these accounts were "in a large degree exaggerated," and that the shortage of funds was only temporary, being chiefly due to the fact that $8,000 of the Federation's funds was used to pay off a deficit incurred by the United Charities in the preceding (pre-federation) year. The situation was also improved by an agreement entered into with the Federation whereby the United Charities "was allowed to solicit from non-contributors to the Federation" for relief for particular families.

In this city no letters of inquiry were sent to the affiliated organizations.

5. Dayton. The Dayton Federation has completed three fiscal years, 1914–15, 1915–16, and a third year covering the last eight months of 1916. No figures are available to show how much was received in contributions by the nine affiliated organizations during the year before the Federation was formed. As shown on page 249, the total contributions increased 13.3 per cent in the Federation's second year. The increase in the third year was 9.1 per cent.

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There is little doubt that the considerable discrepancy between budgets and contributions in each federation year is due to inaccurate budget making. One of the affiliated organizations whose contributions had fallen much below its budget wrote that its "needs," as expressed in the budget, were "simply founded on guess work." Thus in 1915–16, though less than $35,000 was contributed toward the Federation's budget of over $53,000, no deficits were incurred by any of the affiliated organizations and the deficit the Federation itself incurred was but $1,900.[1]

It appears from a variety of testimony that the Federation's contributions—in certain years at least—have been raised only after a great deal of effort, involving several successive campaigns, and that certain of the organizations in those years have been hard pressed to carry on their work with the funds provided. In April, 1915, an article appeared in the organ of the Greater Dayton Association (which organized the Federation) entitled "Help or Charity Fails." The following appeared in another Dayton paper in June of the same year:

> The Associated Charities is in debt $4,000. . . . Wide retrenchment has been necessitated . . . Employees have been let go and those who remain are receiving no pay at present. . . This announcement is made after a conference between representatives of the Associated Charities and the Federation in the hope that people will give the Associated Charities their support.

Direct contributions have been small in each year, $930 in the first year, $848 in the second year, and $536 in the third year of eight months. In raising the necessary funds efforts have been made by the Federation to get assistance from the directors of the allied organizations, the persons most familiar with their work and therefore the ones able to explain it best; but most of them, the Federation explains, have been unwilling to assist.

The Federation explains further that one of its difficulties has arisen because "it is felt in some cases, where small amounts are subscribed, that we are prevented from asking for an increased subscription from those believed to be able to give it."

Letters regarding their financial experiences have been received from but three of the nine affiliated organizations. The first reports that "all effort and worry about finances is eliminated. . .

[1] For deficits in other years see page 27, footnote 4.

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. . Our gift income is practically doubled." The second writes that its income is larger than before, adding, "We *make* the money keep pace with the growing needs. When we cannot get it one place, we do another." The third states that it has not been "materially benefited"; the amount received "has not been increased each year nor has it been in proportion to needs. . . . The business men do not give as much to the Federation as they formerly did to the individual charities."

6. Denver. The Denver Federation under three different names[1] has had a history of twenty-nine years. This fact makes comparisons with the period before it was formed both impossible and unnecessary. It now comprises 21 organizations, though an almost equal number of the city's social organizations are not affiliated.

The amounts collected by the Federation in successive years since its organization are shown on page 268. Contributions fell off greatly after the third and fourth years, and for seventeen years they remained below the collections of 1890–91, dropping in three years to less than half of that amount. This marked decline was chiefly a result of the fact that in the Federation's fifth year a city subsidy of $10,000 was obtained—equal to nearly one-half of the amount previously contributed. Collections at once fell off by more than $10,000, and in 1912–13, when the city appropriation was discontinued, the Federation's total income was suddenly reduced from $37,000 to $21,000.

If a comparison is made between the $71,322 received by the Federation in contributions in its two most recent years, 1914–15 and 1915–16, and the $44,521 received in its third and fourth years, 1889–90 and 1890–91,—these being the first two years for which figures are available,—an increase of 60.2 per cent is shown. This gain, equivalent to but 1.9 per cent per year, is a very small one. During the period there has been an increase of over 144 per cent in the population of the city. The contributions of 1915–16 were much above those of any other year. This was accomplished chiefly by means of a whirlwind campaign.

The financial experience of the 14 separate organizations for which figures are available for the period, parallels that of the Fed-

[1] See page 12.

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eration as a whole.[1] Four of them received generally increasing amounts from the Federation, though with interruptions for an occasional year or years during which decreases are reported; two show almost steady decreases; seven show generally increasing amounts up to about the middle of the period or a little later and then decreased amounts; and one organization shows a quite irregular income. During the year 1912–13 all organizations received less than they had received during the previous year.

In studying the deficits incurred, as shown in the organizations' printed financial statements, only the three recent years have been considered—1913–14, 1914–15 and 1915–16—during which the Federation has been operating under the name of Federation for Charity and Philanthropy. In these years 35 deficits were incurred, as shown on page 251, but only 14 of them amounted to $1,000 or more. Eight of these larger deficits were equivalent to 20 per cent or over of the organizations' receipts from all sources in the specified years. The organizations that incurred them are listed on page 268.

It was in an effort to improve the unsatisfactory conditions that the figures for contributions reflect that two reorganizations of the Federation were undertaken, one in 1911 and another two years later. Conditions were not much improved by the first of these changes, as is indicated by the following statement in the Federation's report in 1913, after the Jewish organizations in the Federation had withdrawn to form a federation of their own:

> The fifteen remaining institutions were less than half of the various organized agencies in the community rendering services similar to those rendered by the societies comprising the United Charities. It became manifest that to avoid complete disorganization, a more comprehensive union of the charities of the community must be effected.

The reorganization which then took place, in 1913, was along the lines of the original plan of the Cleveland Federation. The situation in 1915, after a two years' trial of this plan, is described by the Federation as follows:

> The officers of the Federation recommended that, because of its failure to meet its obligations to the affiliated organizations, the Federation disband. The trustees and presidents of institutions were unwilling to accept the recommendation and voted to continue.

[1] This study of the organizations separately does not include the last two years, for it was made before figures for those years were available.

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Since that time a new spirit seems to have animated the organization. The proposal for a survey, described in a later chapter, had an inspiriting effect, and improvement has been marked along several lines.

Up to this point, in all statements regarding contributions in Denver, only contributions received by the Federation have been considered. From the start, however, a large amount of direct collection has been necessary. The direct contributions have undoubtedly exceeded the federation's own collections, but unfortunately no figures are available regarding them except for the year 1915–16. In the latter year, when the unusually large Federation collections had decreased the proportion of direct collections, the organizations collected $44,986, or 51.7 per cent of the $86,972 collected in both ways.

Direct collection by the affiliated organizations was not a part of the plan of those who started the Federation. "The establishment of the charity fund," according to the report of a special Federation committee in 1913, "was . . . supposed to yield a fund sufficiently large to relieve the institutions from the necessity of miscellaneous solicitation." As a matter of fact, a sufficiently large fund has never been raised even to approximate this ideal. On page 98, comment has already been made upon one result of this situation—the fact that because the Federation did not raise money enough for their needs, certain organizations were forced to violate their immunity pledges, and that when a great effort was made in 1909–10 to re-pledge all societies, the Federation in turn "purposing" to collect the full amount needed ($50,000), the amount it was able to collect was but $27,519.

Regarding organizations that have withdrawn from the Federation in the course of its history, the Federation writes that "some of them withdrew believing that the sum they could raise outside of the Federation would be very much larger than the amounts received by them if they remained within it." The Colorado Humane Society withdrew when the state appropriation which it had received for fourteen years was cut off. The Federation explains the situation which then developed as follows:

As the Federation has always had a rule that it will not conduct a special campaign to raise money for any institution after having the annual campaign, it be-

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came necessary for the Humane Society to withdraw from the Federation in order to be free to raise its budget wherever it could, and it withdrew with the consent and most cordial feeling of the Federation.

In the report of the Survey[1] made in 1916 it is stated that:

Many agencies which are convinced that they are losing money by remaining in the Federation nevertheless remain from a sense of public duty and because they believe that federation is the right thing.

It seems to have been largely for financial reasons that several organizations, eligible as members of the Federation, have refused to join it. Three of them write as follows:

There never have been sufficient funds secured to pay the deficits[2] of the institutions. . . . It is perfectly evident that only a tithe of the amounts which could be collected, did each institution take care of its own finances, can be gathered by the Federation in one rally per year.

The reason I am not a member is that the life of our organization is its subscribers. After years spent in getting them together it did not seem just exactly the thing for me to do. Then if the Federation should fail to provide the necessary budget, which in some instances they have failed to do, I would have to get my clientage all over again or quit.

No institutions feel that they have reached the limits of their possibilities, but have many plans for developing the scope of their work. Under the federation plan the institutions will find greater difficulty in working out these plans.

Comment regarding the Federation has been received from four business men in Denver. They write as shown in the four following paragraphs:

In my opinion givers are not as liberal under the federation plan as they would be if each institution were permitted to make its own personal appeal. . . . The business man is interested in securing immunity from solicitation by making one single subscription which he regards as insurance against further annoyance, and he buys such insurance as cheaply as possible. . . . The effect of this arrangement was to handicap the institutions in the organization [federation].

There is no doubt in my mind but what the individual institutions could get larger donations if each put its cause and requirements separately before the public, and the public would, in the end, give more that way.

There are rich men in Denver who, if solicited by each one of these institutions separately, would give five or ten dollars to the solicitor to get rid of him. But when you go to such men and ask for one subscription to cover the work of the Federation they will subscribe perhaps ten or fifteen dollars. . . . The organization was

[1] See page 224.

[2] By "deficits" the writer evidently refers to the difference between an organization's collections and its needs. As shown on page 251, only a few of the organizations in the years there considered incurred deficits in the strict sense of the word.

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originally started at the suggestion of the big merchants and people who are solicited for every charitable institution, and even they do not subscribe in proportion to what they would have to give if they were solicited by the separate organizations. We do not give in our office what we would have to give if we were solicited separately. . . . The organization during the last ten years has been purely a makeshift; it is true that when Denver was smaller it was more successful. Two years ago the Federation was just about to go out of existence when a new set of men stepped in and said, "Let's try it and see if we can make it go." A new president was elected and new blood to the Board of Trustees, and the same old game started over again with prospects of little better success then heretofore. . . . On the whole I am satisfied that the plan in theory is a grand success, but in practice it does not work out as successfully as it ought to do. Time may cure the defects, but while this is happening the honest institutions are being starved for the funds that they could go out and raise.

From a business man's standpoint, it is the correct way to handle charities, but it has been extremely difficult to get the public to make their donations without the "personal" touch. The giver loses his personal interest and the personal "God bless you," and seems to feel that he is being removed from the list of "our honored donors" to some particular institution. . . . In short, it seems to me that the Federation is a business proposition, and that without the Federation the vanity of the individual can be worked on for much larger donations.

In contrast to these statements are the letters of two of the affiliated organizations:

Many business men feel . . . that the Federation is making the investigation that they themselves are unable to make in regard to the institutions because they do not have time nor opportunity, and therefore they prefer to give in one sum and as largely, in many cases perhaps even more largely . . . than if solicited a great number of times and giving in an unintelligent way, often not knowing the merits of the institution to which they contribute. . . . There are a few persons who give less to the Federation, although it represents about 20 institutions, than they would give to one organization if I should solicit them personally. Fortunately this number is small.

The Federation started out assuring the business men that by contributing to the Federation they would be immune from separate appeals of the institutions and many of them grasped the opportunity to contribute a lump sum in the belief that they would thereby be able to lessen their contributions, but this was not general among our business men.

The Federation's own statements regarding its inability to collect the necessary funds begin in its eighth annual report and appear in most reports from that time on. That the reader may realize the continuance and tone of these statements, the following extracts have been made. In certain reports, interspersed with statements such as those here quoted, are others of a more encouraging sort,

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but the prevailing tone is expressed by the quotations here presented.

Some few complaints have been heard because of one or two entertainments having been held and contributors to the Charity Fund being solicited to buy tickets. What else can be done when the appropriations will not go around? (1898)

In no case were we able to give any society the amount they asked for, or even as much as the Trustees felt they should have, to enable them to do their work as it should be done. . . . We simply divided the funds we had, as fairly as we knew how, between the different institutions. The growth of the various societies is more rapid than the growth of our subscription list. (1901)

One of the serious conditions that confronts the Trustees is that it seems impossible to find new subscribers to take place of those who have left the city or those who have died. . . . The constant appeal that comes from the management of these institutions to the Board shows that their work is constantly increasing and that they are very much menaced in the proper conduct of the same, owing to the lack of sufficient money. . . . The public can hardly appreciate the discouragement in our operations, when it is a fact that we are not increasing our receipts, but there is a constant tendency for them to decline. . . . It certainly cannot be a fact that our people are less generous than those of other large communities in this country. (1904)

The work of the Board shows no improvement in the collection of money over that of 1906. It seems impossible to get the regular contributors to increase their subscriptions. (1907)

We regret to report that the subscriptions to the Charities Fund show a decline from the amount of 1907, notwithstanding our effort to increase the number of subscribers as well as the amount of the subscriptions. We were unable to accomplish what was so anxiously desired by ourselves and so much needed by your Society. (1908)

For twenty years our society has been running along the same grooves. It was organized with much enthusiasm and has accomplished an immense amount of good, but for several years it has remained almost stationary, while the city has grown very rapidly. Although organized for the purpose of relieving the individual societies from the labor of soliciting funds, and the business community from the annoyance of continued importunity, the demands of the institutions have grown so much more rapidly than our ability to supply them that both those original purposes have been largely disregarded. The Trustees believe that we should return to the original purposes of the founders or disband. (1909)

In the matter of raising money, we have fallen far short of our hopes. . . . Although about $10,000 short of what we had hoped to raise, it is still almost 50 per cent more than was ever raised by us before. A few of our institutions found that by strict economy they could save on the estimate they made at the beginning of the year, and they closed the year in fair shape. Others, however, have suffered a real hardship. (1910)

A number of needy and worthy charities have sought admission to our ranks,

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but the state of our treasury did not seem to justify us in assuming additional burdens. (1911)

The amount collected for distribution was larger than usual, but it fell far short of the amount required to maintain the institutions properly. Many of their helpful activities were curtailed, and some had to be abandoned because of lack of funds. . . . The first year of the Denver Federation for Charity and Philanthropy (the reorganized United Charities) was marked by an apparently never-ending stream of difficulties and a consequent ceaseless effort to overcome them. (1914)

The organization in the Denver Federation that most nearly corresponds to a charity organization society is the Social Service Bureau, called from 1911 to 1914 the "Department of Relief," and previous to that the "Central Office." The appropriation to this form of work has remained almost stationary for 29 years. It was $5,000 in 1891 and $5,000 in 1911, twenty years later, though in the intervening years it had varied from $4,311 to $6,312. The latter amount was received in 1908, which was the only year in the period in which more than $5,000 was received from the Federation. In each of the last two years $6,000 has been received. In addition relief contributions have been raised direct for special cases, and during the two most recent years—since the separate incorporation of the Social Service Bureau—some contributions have been obtained direct, but the total received from all sources—$8,874 in 1914–15, and $9,341 in 1915–16—is small in comparison with the amounts received by associated charities in other cities of Denver's size.

Figures presented on page 259, make it possible to compare the Denver society, in this particular, in the year 1914–15,[1] with the unfederated associated charities from which reports have been received regarding contributions, in so far as the latter are located in cities with a smaller population than that of Denver. Only three of these 13 societies had smaller contributions than the Denver society, and in each case the city's population was very much less than Denver's. Four of them received contributions over three times as large as those of the Denver society. In partial explanation of this contrast it should be noted that large relief funds swelled the figures for the year considered and that the Denver society was less affected by this fact than the others, because it

[1] The year 1914–15 was used because at the time when this particular study was made it was the latest year for which the United States census estimates of population were available.

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cares only for transient families. But this latter limitation of its work, which has always existed, is itself a result of the society's financial handicap. Moreover, from statements in the Federation's reports, it appears that contributions have been inadequate even to cover this limited form of work. The following are quoted from the reports of 1898, 1901, and 1907:

It is simply impossible for our organization to give more than temporary relief outside of our institutions. . . . Our Central Office receipts are $4,600; our demands are for ten times as much. Therefore, when a party asks us for transportation to New York or Chicago, when our quarterly appropriation is nearly exhausted, we would naturally like to give the desired assistance, but cannot. (1898)

It is impossible for the Central Office to meet other than emergency cases—so that the employees deserve the sympathy rather than the censure of applicants, in not being able to give large sums for transportation, or to care properly for the homeless sick. (1901)

The society generally is suffering from charges of neglect which are unavoidable without more funds at the disposition of the Central Office. (1907)

Late in 1916 the president of the Social Service Bureau wrote that the organization has "had to spread out its funds, pay its workers less salary and work the office force harder, and is still doing this." Since becoming separately incorporated it has tried to obtain memberships as an additional source of income, but it is explained that "we have never had the funds to make a proper campaign by way of publicity and solicitation for such memberships." During 1914–15 and 1915–16, in the second of which years the Federation's contributions were considerably increased, the organization's gift income "was not adequate" for the support of its work. In these years, it was stated the Federation "was not an advantage to our Bureau financially beyond what the United Charities[1] was." The writer added:

As a result of Dr. Allen's survey our Bureau has accepted the large field for work recommended in his report, and has submitted to the Federation a plan requiring additional money, but the Federation has taken no action thereon, and our Bureau consequently is not able to increase its work beyond what it has been doing for practically 25 years, and will not be able to do so unless the Federation gives it an additional appropriation or permits it to solicit funds independently.

An outside observer, commenting on the situation, writes:

I know that the organization of case work in Denver has been cruelly handicapped by this plan.

[1] The Federation was previously called the "United Charities."

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Only eight replies have been received to the letters addressed to fourteen of the affiliated organizations.[1] The Social Service Bureau has been quoted above. Four organizations seemed in general to be satisfied with the Federation. One received "nearly enough money. . . . to meet expenses. . . . We have received from the Federation the full amount we asked of it"; another writes that in the last two years its gift income had been "about right"; a third states that the Federation was never a disadvantage and that it "has always saved us from the necessity of soliciting funds for our work outside of our immediate circle of friends"; the fourth quite exceptionally writes that "since being a member of the Federation we have raised no money direct." It adds that "we have been able to meet our obligations. We have not been forced to curtail our work."

Of the three organizations, in addition to the Social Service Bureau, that seem more or less dissatisfied, one, while referring to the Federation as "an advantage because of the standing it gives, as well as money," added that "the income from the Federation declined since 1912 but the needs increased. The Federation gave us what it thought a just proportion of funds raised. We had to get the rest"; another wrote that "during 1913–14 the Federation was much more of a hindrance than advantage because it couldn't collect enough money and wouldn't allow the different charities to solicit for themselves"; and the third stated that the Federation had "in no way" been a financial advantage. The proportion received through it had been "entirely inadequate." The organization was increasingly unable to meet its needs, "extension work was imperative but impossible. Educational work was very limited for need of funds."

Regarding the most recent year at the time these letters were written, the year 1915–16, three of the above organizations report or imply a financial improvement; but a fourth reports no improvement.

One organization, referring to the year 1912 when there was a "severe financial depression in Denver," writes that "support of the Federation lessened and money had to go to the less able and self-helpful of the institutions."

[1] For special reasons no letters were sent to the remaining organizations.

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7. Elmira. The Elmira Federation ("Allied Charities") has had six complete years for which figures are available. For the year before the Federation was formed, 1909–10, figures regarding contributions are available for but two of the seven affiliated organizations. These show small increases.

The total amount received by the affiliated organizations during the Federation's six years increased from the second to the fifth year, the per cents of increase in each year over the preceding being 7.8, 13.8, 7.2 and 25.3. In 1915–16, however, there was a decrease of 10.7 per cent—from $18,847 to $16,831.

At the start the Federation was little more than a joint campaign for a single year's funds. A budget of $17,000 was announced, but only $14,156 collected. The budget was clearly excessive, however, for only $11,435 was appropriated to the organizations, $2,500 of the balance remaining being temporarily invested. There was no campaign in the second year, and the amount collected fell off 17 per cent—from $14,156 to $11,786. Securities were sold to supplement these collections. In the third year the falling off was still greater, and in April, 1914, with nearly six months of the year remaining, the "Allied Fund" was almost empty. Another campaign was undertaken, and a professional manager employed. The fiscal year was changed, and money subscribed for a period of thirty months—from July 1, 1914, to January 1, 1917—to cover the estimated needs for this period of $46,750. The amount received during the thirty months was $47,182—$432 more than the budget adopted for the period. As a matter of fact, the needs for the thirty months were considerably underestimated[1] and the total amount proved to be less than the amount needed, the shortage coming in the last year, as is shown by the figures on page 249.

A table furnished by the Federation and shown on page 271, indicates the extent to which each affiliated organization has shared in the general increases in contributions. The contributions in the Federation's first year, 1910–11, are compared with those of its latest year. The smallest increase in any organization in the five

[1] The Federation estimated its needs for thirty months but was obliged to use the receipts for two months of the preceding fiscal year, during which months the campaign was in progress.

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year period is one per cent, the largest 259.0 per cent. In one case there was a decrease—43.8 per cent.

Four of the five affiliated organizations replied to the Committee's inquiries on this point.[1] One reports that the increase in income from the Federation "has kept pace with" its needs; another that it has kept pace "fairly well"; another is satisfied, in general, with its connection with the Federation; and the fourth reports that the Federation has enabled it to meet its expenses as they have increased, "and with much less labor."

[1] There are seven affiliated organizations, but two of these are departments of the "Federation for Social Service." For special reasons inquiries were not sent to them.

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CHAPTER VI

CONTRIBUTIONS—OTHER FEDERATIONS (Continued)

1. Erie. The Erie Federation completed its first year on October 1, 1916. It then comprised 11 organizations. It has furnished very complete figures both for that year and the preceding year. As shown on page 248, if in comparison with the preceding year contributions only are considered, an increase of 213.0 per cent is shown[1]; but since the Federation makes impossible income of the sort previously received from entertainments, etc., a fairer comparison includes the income from these sources in the earlier year.[2] On that basis an increase of 80.9 per cent is shown. The Federation points out, in connection with this increase, that the campaign which brought subscriptions for most of the money received occurred but two months subsequent to a disastrous flood in the city, for the relief of whose sufferers contributions of $55,000 had been made.

The amount contributed to the Federation in its first year—$60,676—was about $5,000 less than the amount subscribed, and nearly $25,000 less than the amount stated in the budget as the organizations' needs. The Federation explains that "by practicing economy the organizations were able to get through the year." On the subscription blank for the present year it is explained that $10,080 is needed to cover deficits incurred during the first year by four organizations, these deficits being "caused by the Federation not receiving the amount of money needed this past year." In addition a deficit of $2,368 was incurred by the Federation itself. In explanation of the large deficits incurred by the hospitals the Federation writes:

> Up to last year the hospitals received practically nothing from the public for maintenance. . . . The interest charges for the past year amounted to $16,502.

[1] The total contributions of $63,700 shown on page 248 include $60,676 given to the Federation and $3,024 to the organizations direct.

[2] The few entertainments given in the Federation year have been for other than current expense funds.

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If it had not been for these debts, the hospitals would have run almost without deficit.

In general the deficits appear to have been caused partly by the fact that contributions did not reach the expected amount, and partly by the fact that the expenses of the Federation itself were greater than had been anticipated.[1] In June, 1916, in an effort to avoid the deficits that were then threatened, a supplementary campaign was conducted which, according to the Federation, "did not come up to our expectations, the main difficulty being that we were unable to secure a sufficient number of interested workers."

Regarding increased contributions from former givers, figures are presented on page 269, which indicate that 911, or over 79 per cent of the 1,145 former contributors who renewed, subscribed larger amounts, while the smaller subscriptions were but 108, or approximately 9 per cent of the total. The net increase in the amount subscribed was nearly 137 per cent. The figures referred to indicate statistically a fact frequently observed, but usually without statistical support—namely, the greater appeal that federations make to the large giver. A series of regular progressions is shown. The larger the giver, the more likely he was to increase his gift, and the less to decrease it. If the three groups shown in the table are referred to as the large, medium, and small subscribers, it appears that increased amounts were subscribed by 56 per cent of the small contributors, by 79 per cent of the medium contributors, and by 90 per cent of the large contributors. In exact contrast it appears that decreased amounts were subscribed by 14 per cent of the small contributors, by 10 per cent of the medium contributors, and by 6 per cent of the large contributors. A second table, presented on page 269, shows an equally marked progression in the *amount* of the increased contributions—19.0 per cent for the small subscriber, 111.2 per cent for the medium subscriber, and 143.5 per cent for the large subscriber.

Of the 2,190 persons who contributed to one or more of the affiliated organizations in the year before the Federation, 1,049, or 47.8 per cent, did not subscribe to the Federation in its first year. How many of these gave directly in that year to any of the affiliated organizations is not known. These persons were among the

[1] See page 158.

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very small givers. Their total contributions in the year before the Federation were but $1,067, and the loss through their failure to renew was but 5 per cent of the total amount contributed in the previous year. The Federation explains, furthermore, that many of those recorded as not renewing are women who had previously given small amounts in their own names, but who subscribed much larger amounts after the Federation was formed under their husbands' names, and thus became recorded as new subscribers.

A rather marked feature of the financial returns is the large proportion subscribed during the Federation year by persons who had not given in the preceding year to any of the affiliated organizations (p. 270). They gave 31 per cent of the total—$20,553 out of $66,324—but their average subscription was small, $7.06 as compared with an average of $39.97 shown for former contributors who gave again in the Federation year.

With four exceptions, in three of which contributions decreased by 6.3, 16.7 and 28.3 per cent, the affiliated organizations show marked increases in contributions compared with their receipts from contributions, from entertainments, etc., the preceding year. Four organizations more than doubled their contributions. The figures for all organizations are presented on page 270. In regard to the decrease of 16.7 per cent shown for the Associated Charities, the Federation explains that in the pre-federation year, 1914–15—the year of marked unemployment—the Associated Charities was able to raise $14,425, mostly for relief, whereas it had never before raised more than about $6,000 a year. In the nearly normal year that followed, though the amount received was less, the society was enabled "to increase its regular paid staff from a general secretary, one visitor, and one stenographer to a general secretary, three visitors, and two stenographers." But to accomplish this, and to carry on its regular work, the society incurred a deficit of $1,759, as shown in Table 13 of Appendix II, in addition to having unpaid bills at the end of the year of $1,936.

In the Federation's first annual report letters regarding its work are printed from all but one of the eleven affiliated organizations. Three of them have "unqualified praise" for the Federation, or regard it as "the ideal plan," or are "eager to have it continue"; another regards it as "proven beyond question that the plan is

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practicable"; two refer to it as "satisfactory" or as a "benefit and relief"; another reports that "the Federation has aided" financially, and still another that it "has provided the money that was greatly needed." The two remaining organizations refer, one to the "better results, greater efficiency and much in economy" that have been gained; and the other to the "great relief" the Federation affords on the financial side.

One of those referred to above mentions also the relief to the organizations, and one the relief to the public "heretofore continually importuned for funds"; while two point in addition to the fact that the organizations are more free now to carry on their own work. Two others, beside the one quoted above, refer to the economy and efficiency that have been gained in the raising of funds.

Prior to the publication of these statements letters had been received from the affiliated organizations. In all cases but one their remarks regarding the financial advantage they had received from the Federation are in the same tenor as the published statements quoted above. The exceptional organization writes that "it is very difficult to state whether the Federation has been an advantage financially or not." Another organization, not quoted in the published report, writes: "We have received no more money for our work, but have had very much less labor and responsibility in connection with raising the money."

All of the organizations received less, some of them considerably less, than the budgets approved by the Federation called for. Nine of the eleven organizations explain these discrepancies, or comment upon them. One writes that the discrepancy was "due to an overestimate of the amount needed." Three indicate that there was no overestimate of needs, two of them explaining that the smaller receipts made it impossible for the organizations to expand or to "branch out" as they had hoped to do. Two, in spite of the discrepancy, did not curtail their work; two because of it went into debt; and one explains that "we were simply obliged to accept the revised amount as it was all the Federation had funds to pay us."

2. New Orleans. The New Orleans Federation, including 18 affiliated organizations, was abandoned in the middle of its second year. The financial situation at the end of the first year is explained

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in the following extract from an appeal letter sent to the Federation's contributors:

The Federation of Charity has been through one year that has had no equal for many years, from the standpoint of the difficulty of collecting money for charity. Member organizations did not receive all the money their budgets called for, and were consequently very much hampered in their work; but through the close co-operation of all the organizations the year has ended with the Federation still a going concern, through the unanimous vote of all organizations represented at a meeting held December 15th.

The amount for which contributions were solicited for the first year was $100,000, but only $43,488 was received. The President of the Federation writes that "the amount needed for 1914 and also for 1915 was $62,000. We tried to collect $100,000 for 1914 and $75,000 for 1915."

No figures are available for a comparison with the pre-federation year. Regarding the first Federation year a correspondent writes:

The first year ended in fairly satisfactory shape financially, but things grew gradually worse the second year, and when the break-up came it was simply because the Federation could not collect sufficient funds to supply the constituent organizations.

One of the affiliated organizations writes:

The disadvantages were the unpopularity of the Federation due to the mismanagement and discourteous treatment of small subscribers in some instances, the ease with which people who wanted so to do could refuse all aid, saying they subscribed through the Federation, the willingness of many boards and some individuals to sit back and depend on the Federation for support.

Lack of funds is referred to by certain correspondents as explaining the Federation's failure to undertake the social and publicity work that had been planned, and its inability to obtain "the right kind of an expert to handle the office." The same reason is offered to explain the withdrawal of one organization after the first year. In its instructions to solicitors, the Federation stated that "the Federation first guarantees to each charity the amount of its annual expenses." This, one correspondent writes, was a mistake. The Federation should only have agreed "to distribute amounts actually designated to each society—in other words, we relieved the members of each organization of too much responsibility."

Another organization writes:

The mere fact of federation did undoubtedly lessen the activity of individuals

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connected with the various organizations. I did not work for our organization after the Federation had been formed with nearly the vigor that I had used previously. There were many who had not given to the Federation whom I might have solicited except for our altogether natural feeling that the responsibility was now on the Federation.

Letters have been received from eight of the eighteen organizations. Only three of these report advantages from the Federation, one specifying "freedom from worry and annoyance," the second relief from the "labor and uncertainty of raising funds," and the third the increased *net* income resulting from the fact that commissions were unnecessary. Four of the five remaining organizations refer to the failure of contributions to equal their budgets or their needs. The following statement from one of them is similar to that expressed by two others:

We were satisfied with the theory of the Federation, but . . . not satisfied with the way the plans worked out. . . . We received the amount of our estimate [for needs] for only a few months, and then the sum gradually dwindled until the last payment was but one-twentieth of that amount, and finally the Federation went to pieces.

Another organization adds: "And we were still refused permission to raise money ourselves"—that is to say, until the Federation was abandoned. Still another in this final group states that "a good many of our regular contributors gave nothing for our benefit while the Federation was in operation." The fifth organization reports difficulty after the Federation was abandoned in getting its former contributors to give again. On the other hand, two organizations report no difficulty on this score, one explaining that because of the experiment and its failure it was not felt that any damage had been done to the work of the organization, the other reporting that since the Federation dissolved it has done better financially than while it was in existence.

3. Oshkosh. In the Oshkosh Federation ("General Welfare Association"), including six organizations, almost all the funds were collected by the Federation itself. In the year before the Federation was formed the affiliated organizations received $8,657, chiefly in contributions but partly from the proceeds of entertainments. During the Federation's first year, $10,067 was contributed, an increase of 16.3 per cent over the previous year's receipts from both sources. No deficits were incurred during the

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year by the Federation or by any of its affiliated organizations. Needs calling for $12,300 in contributions had been announced based on reports from the organizations. Certain of these reports were faulty, and the true budget was about $10,700.

On page 272 figures are shown for four of the six affiliated organizations in which the contributions received in the Federation's first year are compared with the receipts in the preceding year from contributions, entertainments, etc. The Associated Charities' contributions decreased 9.5 per cent. For the other organizations increases are shown varying from 20.9 to 73.3 per cent.

Inquiries were not addressed to the affiliated organizations.

4. Richmond, Ind. The Richmond Federation ("Social Service Bureau") completed its second year in September, 1916. The amount that it and its four affiliated organizations received from the public increased 86.4 per cent in the first year over the pre-federation year, and 9.6 per cent in the second year over the first. (See table on page 272.) The amount collected by the Federation itself decreased from $5,918 in the first year to $4,567 in the second, but the amount collected by the organizations direct was nearly trebled.

There has been no direct solicitation for contributions, other than for membership fees and for the sale of Christmas seals. The money raised direct by the affiliated organizations since the Federation was formed has been by means of entertainments, etc.

The Federation explains that the decline in its own collections was due to the smaller needs of the Associated Charities for equipment and particularly for relief, the year 1915–16 being a prosperous one in the city. It is further explained that the budgets of the affiliated organizations, as agreed upon at the beginning of each year, have been paid in full. No deficits have been incurred by the affiliated organizations or by the Federation itself.

In interpreting the large increase shown above for the Federation's first year, consideration must be given to the peculiar situation in this city. The Federation's secretary, on his own estimate, devotes about nine-tenths of his time to his duties as secretary of the Associated Charities, which is by far the most expensive organization in the group. For this reason the doubling of the total income received from the public, which took place after the formation

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of the Federation, was hardly more than a doubling of the Associated Charities' income. Such an increase is ordinarily received by an associated charities in event of reorganization, as in this instance, with the employment for the first time of an executive who has had previous charity organization experience.

Inquiries were not addressed to the affiliated organizations in this Federation.

5. St. Joseph. Regarding the St. Joseph Federation[1] the secretary of the Commerce Club writes as follows:

> The societies [before the Federation was formed] were without money and were discouraged in their efforts to raise it. The business men claimed they would give more readily in one sum to a group of business men than in any other way. An equally important fact was one not generally advertised—that we knew too few were bearing the burden. . . . We raised [in the Federation's campaign] the sum we started out for. . . . The year preceding our campaign only $7,500 was raised from the public. This was a little lower than usual, as some of the institutions were really running on a deficit, but we have nearly tripled the public support as to amount.

The amount announced as "necessary" to cover the "present minimum needs" of the affiliated organizations was $24,730 per year. The exact amount pledged in the campaign for the first year is not known. The amount pledged for each of the three years for which the campaign was made was but $18,000, though it is stated that "$5,000 more will be absolutely sure of renewal the next two years."

6. Salt Lake City. The Federation in Salt Lake City ("Central Finance Board") existed but one year, 1914–15. It asked for $80,000; later, for $44,000, and received but $19,212. One of the 14 affiliated organizations writes that it was not given a fair trial. "I do not think such a board could become an established success in one year." No figures are obtainable as to the amount collected by the affiliated organizations during the previous year. It seems, from the following quotations, that, to some extent at least, former contributors gave less than they had given before. The first is from an editorial in *The Utah Survey*, a periodical devoted to social work in Utah:

> The business men were also told that the Federation would mean a great saving

[1] Because this Federation had just been organized when this study was undertaken, no effort was made to get complete data regarding it.

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in the annual amounts which they would need to give for charity in order to accomplish the same amount of good. The business man donated a certain sum; he made a book entry of the expenditure. . . . He now "got off" with $50, whereas before he had paid out $100. . . . Our business man did wrong when he congratulated himself on the saving which the new plan brought about. . . . He should have considered the organized charity idea an aid to but not a relief from his responsibility as a citizen.

One of the organizations writes:

I think, in most cases, less was given to the Central Finance Board than would have been given to the same charities had separate appeals been made.

Another organization writes:

Contributors do not give as much to the whole thing proportionately as they give to the separate organizations. . . . Personal solicitation for organizations is done with much more zeal and interest than a request for a contribution to a general fund, and the contributors become personally interested in the organization.

As to the effect of the experiment, one of the affiliated organizations writes that "in some cases work was almost entirely suspended." In the course of the Federation's first and only year, the Volunteers of America became dissatisfied with the money it received from the Federation and withdrew. In connection with the controversy that arose the Federation states that it "was unable to raise enough to give each organization the sum allowed in the budget," and it therefore "pro rated" the amount received.

Seven of the fourteen organizations replied to the Committee's inquiry. Regarding satisfaction with the Federation, there were five replies, three of which indicated satisfaction. They evidently shared the opinion of the one who wrote: "If the Finance Board could have been kept going it would have been a splendid thing." Of the two that seem dissatisfied, one wrote that "there were no advantages, since the Board was unable to collect the amount needed," and the other that because it received so much less than its needs it would have been obliged to suspend work had it not had a surplus on hand. Six organizations replied as to the effect of the experiment on collections after the Federation was abandoned, three reporting no more difficulty than usual, and two greater difficulty. One replied that "our contributors both before and after are to a large extent the same."

7. San Antonio. The San Antonio Federation ("Charities Fund Association"), including five organizations, lasted less than a year.

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Some pledges seem to have been received, but collections amounted either to nothing at all or to very little. The purpose of the Chamber of Commerce in attempting the formation of this federation is explained on page 229. The financial results are described by four organizations that replied to the Committee's inquiries as follows:

After several months, during which time every charity organization in the city, according to agreement, dared not ask for funds, the whole matter fell through, and came to naught, leaving us all, in a sense, disorganized, and all were bankrupt—and deeply in debt. . . . Not one dollar ever came into the treasury of any organization through the Federation, though a very small sum was collected.

We lost a great deal of time in the endeavor to restore our income besides having to resort to a "loan" from the bank with which to do business. Everyone was "sore" and I fear will not take kindly to another attempt to "federate." . . . The attempt caused us to lose a large number of subscribers which had cost us some years to secure, and considerable money to pay for an able solicitor. . . . The enterprise worked a great hardship on us.

We had a regular subscription list, with no trouble about collections. We protested and were forced into the Charities Fund Association. . . . The work was almost paralyzed. . . . When our regular contributors stopped it was hard to get them to give again.

Our organization suffered a blow from which it never recovered. Since that time it has been impossible to raise money to keep it going.

8. South Bend. The South Bend Federation closed its second year on November 1, 1916. The Federation has furnished no figures giving the direct contributions received by its twelve affiliated organizations, but it seems evident that the amount so received has not been large.

Figures are lacking for the pre-federation year and comparison with it is therefore not possible. The figures shown on page 249 for the Federation's second year indicate that there was an increase in contributions of but 0.2 per cent over the first year—from $22,401 to $22,437. The amount received in each year was considerably below the amount estimated in the budget as needed. One of the Federation's officers wrote during the Federation's second year that it had "not succeeded in raising enough properly to support the affiliated organizations." In June, 1917, the same correspondent wrote that for them to get along on what the Federation has been able to furnish them "has required rigid economy

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and in some instances curtailing of their work, or the work they wanted to do and probably should have done."

On page 180 reference is made to the fact that desired educational work has been impossible for lack of funds. Nevertheless certain increased contributions are reported. The Federation states that in the second year 373 givers of the year before increased their gifts,[1] the total increase being $2,460; while 288 decreased their gifts, the total decrease amounting to $2,259, a net gain of $201.

Two of the Federation's officials feel very certain that all the affiliated agencies have received larger contributions under the Federation than they did before. The only organization for which figures are available on this point is the Associated Charities. It received $2,511 in the year before the Federation,[2] and $5,475 in the Federation's first year[3]—an increase of 118.0 per cent.

Letters were received from eight of the twelve organizations. Three were decidedly pleased; two, while reporting themselves satisfied, refer to the curtailing of work that was necessary, and three express dissatisfaction. Among those that were pleased one has "nothing but the highest praise." No cutting down of needed work has been necessary. Another states that previously its contributions had not averaged half as much. Its income has kept pace with its needs. The third is in a "much better financial condition." In the second group one organization reports that "contributions were considerably less than the budget," but the work was "so planned as to stay within our financial bounds"; and the other that at the time of writing (August, 1916) efforts were being made "to meet the budget of each society, which will improve matters and prevent having to cut down in makeshift form. . . . The entire budget is needed to enable us to pay cash for all we have. We are obliged to cut down until this is raised." The Federation's final financial statement, at the end of the year, shows that less than half of this organization's budget was received. One of the three in the last group refers to the necessary cutting down of ex-

[1] The comparisons are between subscriptions in the second year and contributions in the preceding year.

[2] October 1 to October 1.

[3] November 1 to November 1.

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penditures and adds: "We might through solicitation secure a larger total of donations. Of this, however, we have no assurance." The second states that its "needs were great" but that it was "unable to make needed extensions on account of not receiving the money"; and the representative of the third organization writes: "I have been disappointed. . . . I see where we are hampered. Our gift income now is about the same as before but the demands of our work are greater, and we are not free to solicit the additional funds with which to carry on that work. . . . Needed expansions have not been possible."

Mention may be made at this point of the Springfield (Mass.) Federation. It was formed in 1916, remained active but a few months. Its salaried executive was discharged after the Federation had expended nearly $3,000, raised from a few persons interested in the plan. It is explained by a correspondent that as a result of the unsettled condition due to the expectation that the Federation would raise funds for the affiliated organizations, the Union Relief Association (the associated charities of the city) has been temporarily hampered in its own money raising. It had given its list of contributors to the Federation, and after that body suspended work time was lost in informing them that they were not to give to the Federation but directly to the various societies, as they had previously done.

9. Jewish Federations. Regarding the financial experience of Jewish federations, Mr. Waldman, in the booklet previously quoted, writes as follows:

> The experience of federations demonstrates nearly uniformly that federation has resulted in a substantial increase of funds for charitable purposes. . . . Federations subject their committees to a process of fine-combing and in this way are able to corral into their fold almost all, if not all, potential members. In the second place, by presenting the prospective member with a tabulation of his total contributions to the independent charitable institutions of the community before federation, they are not infrequently in a position to give him an unpleasant surprise by thus showing him that his largesses to philanthropy were very much less than he had fancied. Thirdly, federations often secure from their subscribers increased subscriptions in return for immunity from all sorts of appeals.

Financial difficulties are reported, however, regarding the Jewish Federation in Denver. In the issue of *Denver Jewish Charities* of November 26, 1915, the following statement is made:

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The Jewish Social Service Federation of Denver, at a meeting held Monday night . . . decided to dissolve. This action followed a discussion of the advisability of continuing relief work among the 10,000 Jewish residents of the city in view of the failure of the controlling board to obtain the required subscriptions from among its 750 members. . . . Failure of more than 450 of the 750 subscribers—representing amounts aggregating $4,500—to meet their obligations was given as the cause for the dissolution.

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CHAPTER VII

COST OF COLLECTION

AN ARGUMENT much used in connection with certain federations is the economy which it is said they make possible in the collection of funds. One would naturally expect such an economy because of the centralization of financial work and the elimination of competition. With reference to the feeling of "many business men" that competitive methods are very expensive, Mr. Norton writes:

> Being good at business they realize at what enormous cost the duplication of letters and calls is made. They resent the idea that so much of their money should go to bolstering a cumbersome hydra-headed machinery of philanthropy, which very clearly, to them, consumes within itself too much of its own potential efficiency for actual service.

1. Lack of Data. It is unfortunate that there are no adequate data regarding the unfederated régime. This is chiefly due to the fact that as long as organizations are unfederated it is practically impossible to learn what their total cost of collection is. For Cleveland, Cincinnati, and Erie estimates have been made, but they are necessarily crude since it is a very difficult matter for salaried workers in the various organizations to state what proportion of their time is given to financial work. In estimating the cost of collection under federations almost equal difficulties appear. These are greatest in Cleveland and Denver, in which cities the affiliated organizations still collect considerable amounts direct, and in the cities in which the federations carry on important non-financial work,[1] the cost of which is not a real cost of collection. In the first group the difficulty of estimating the time that the organizations' executives give to financial work appears again, and in the second group an estimate is necessary in order to eliminate from the federation's costs the part chargeable to non-financial work.

[1] As shown in chapters VIII and X.

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2. Pre-federation Cost of Collection. Before the Cleveland Federation was formed the Committee on Benevolent Associations of the Chamber of Commerce stated that "by a conservative estimate"[1] the cost of collection was between 12 and 14 per cent. This estimate was necessarily based on figures which in most cases were estimates by the organizations as to the proportion of time given by employees to financial work. The difficulties encountered by the Federation in its efforts to get affiliated organizations to make accurate reports regarding their contributions for current expenses make one somewhat doubtful regarding the accuracy of these figures furnished several years earlier to a committee which had not nearly as much power to enforce its request for reports in a given form as has been since possessed by the Federation. The Chairman of the Committee seems himself to have had some doubt regarding the estimate, for in another place he referred to the cost not as "12 to 14 per cent," as stated in the Committee's report, but as "over 10 per cent."

As further evidence of the high pre-federation cost of collection in Cleveland it is stated by the Federation that four of the 41 organizations studied employed financial solicitors—the commissions of three of them being respectively 33⅓ per cent, from 15 to 20 per cent, and 20 per cent; and that four of the 37 remaining organizations employed salaried financial workers. One of these organizations had a collection cost of 9 per cent. By contrast, all of the commissioned solicitors and one of the salaried financial agents have now been dismissed. That is to say, eight of the 41 organizations studied were using these methods of collection, and only four of the 41 are now using them.

Mr. Norton writes regarding the former situation in Cincinnati as follows:

> The cost of solicitation ranged from one to two per cent in old movements to as high as 66 per cent in one that used peculiar methods. A general average of 15 per cent prevailed after eliminating the spectacular wastrel.

On the basis of similar data the secretary of the Erie Federation in 1916 estimated that the cost of collection in that city had been

[1] It should be noted that by another "most conservative estimate" of this committee the probable cost of the Federation was stated to be just about half of what it has proved to be. See page 158.

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18 per cent. This cost, he reports, was raised considerably as a result of the fact that one organization had paid nearly 100 per cent for the promotion of a play.

One may assume the probability that organization executives as a rule underestimate the amount of their time given to financial work. On the other hand, the per cent for the old régime would be larger than it should be just in proportion as organizations through a misunderstanding of the intent of the inquiry fail to report *all* of their contributions, neglecting to include certain groups of contributions regarded as "special" in some particular. It is recognized by those who have used the questionnaire method in this field that incomplete reports occur not infrequently when the amount of contributions is requested.

3. Cost of the Federations. On page 252 the total cost of the federations is compared with their collections. *This, however, is not the "cost of collection."*

In at least two federations, Cleveland and Erie, the expenses of the Federation have been much greater than was anticipated. In Erie they were $10,580,[1] including the campaign expenses, as compared with an estimate of $5,482 for the purpose included in the budget for 1915–16. The Chamber of Commerce committee in Cleveland stated that "a most conservative estimate places the cost of conducting a federated board at not more than twelve or fifteen thousand dollars." The cost for the first year was $17,790; and for the other years in the vicinity of $30,000. The Federation explains that this excess is partly due to the fact that the non-financial work undertaken was more extensive than had been contemplated by the Chamber of Commerce committee.[2] But if a deduction is made of the non-financial expenses for 1915–16, as estimated by the Federation, the cost of the strictly financial work is still $24,956 as compared with the Committee's estimate of $12,000 to $15,000.

4. Cost of Collection Under Federations. For the sake of a comparison between federations on a strictly cost of collection

[1] The "general expenses and salaries" covered 16 months, four of them being preparatory months before the Federation's first regular year began.

[2] Non-financial work was planned for the Cleveland Federation from the start. This is clearly indicated both in the Federation's constitution and in the report of the Chamber of Commerce committee.

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basis, estimates made by the Cleveland and Cincinnati federations have been accepted, and similar estimates have been made by the writer for other federations.[1] The figures and the bases of the estimates are presented on page 253. In Cleveland and Denver, where large amounts are raised by the affiliated organizations direct—a much more expensive method than collection through the federation—account was taken of this fact.[2] For the Cleveland, Denver, Dallas, and Erie federations a cost is shown that is equivalent to 10 per cent or over of the federations' contributions, while for the eight other federations a cost of less than 10 per cent is shown. In two federations it is less than five per cent. Two federations—those in Elmira and St. Joseph—have decreased their cost of collection by obtaining pledges for several years in advance, thus avoiding the necessity of a campaign each year.

The experience of the Associated Charities in Cleveland is an example, though undoubtedly not a typical example, of the way in which the cost of collection is affected by the necessity of direct money-raising. For several years before the Federation was formed that society had employed a financial secretary. The position was abolished after the Federation was formed, but in its third year it was found necessary to employ a publicity man, paying him "a few hundred dollars larger salary" than the former financial secretary had received. The Federation explains that this step was taken because there was misunderstanding and criticism of the Associated Charities, which seriously affected contributions to the Federation itself, since the Associated Charities stood first on the Federation list, and received by far the largest appropriation from the discretionary fund. The organization's secretary states, however, that the most important aim of the publicity thus to be attained was to increase the society's funds. To the extent that the publicity man employed was really a financial secretary, the Associated Charities' cost of collection, during the year that he was employed, was prob-

[1] Additional estimates have been received and accepted from the Baltimore and Dallas federations.

[2] In the Federation's Bulletin for November, 1914, reference is made to the reduction in collection costs that will come when "the less expensive federation method" is adopted by persons who now give directly. In 1915–16 the Boy Scouts conducted a direct financial campaign at a cost of $2,111, the receipts of which were $8,935 (Federation Report, 1915–16, page 55). This is a cost of collection of 23.6 per cent.

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ably considerably larger than it had been formerly, for the cost of his salary and expenses must be added to the cost of collecting the amount turned over to the Associated Charities by the Federation. The man employed in this position for one year was succeeded, after a break of a few months, by a woman, a trained case worker, who holds the position of financial secretary at present. Since March 15, 1917, she has been assisted by another woman who acts as telephone solicitor, raising money for relief to special families. There is also a clerical assistant, so that the Finance Department now has the entire time of three people.

5. **Testimony.** Each Cleveland organization was asked by the Committee whether its money raising had been easier or harder since the Federation than before. Replies have been received from 24 organizations, 10 of whom report that their money raising has been easier, six that it has been the same, and eight that it has been more difficult. In the group that reported easier money raising one organization adds that its work is "growing by leaps and bounds"; another that its office routine solicitation has been simplified; and another that the Federation assists by furnishing lists of names, etc. One of the six organizations that report no change in this particular adds that its office expense has not decreased and that its share of the Federation expense should be considered. Of the eight that report harder money raising, one adds that the situation causes "much annoyance and discouragement"; another that money raising is more difficult because the "splendid givers are included in the immunity list"; and another that it is "infinitely harder" because those not immune "usually lack interest." Still another states that it was "almost impossible" during 1915–16 to raise money direct.

Though no questions on this point were put to federated organizations in other cities, several of them have referred to it in their letters. A Cincinnati organization wrote that much effort on its part had been saved; another that its cost was "greatly reduced"; another that the time of the secretary and other employees had been released from financial work, and a fourth that there was "a saving" in cost. A Birmingham organization writes that the Federation "found considerable difficulty in collecting the amounts pledged. The matter was placed in the hands of a special collector,

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but long before the final amounts were due the expense of this method had made it impracticable."

An Elmira organization writes that it is now "enabled to devote more time to its real work whereas previously most of its officers' energies had to be put into raising funds"; and another that it "now meets its expenses with much less labor." An Erie organization states that it has been "relieved from the necessity of repeated personal appeals to individuals, which was a trying burden to both officials and director."

A New Orleans organization writes that its time in soliciting funds was saved by the Federation, while it existed, and that its officers had more time to devote to their regular work. It adds, "The Federation claimed that it saved the various societies considerable money, as nearly all of them had to employ collectors and pay them large commissions, but I think that was largely offset by the office expenses of the Federation." A second organization writes: "It was infinitely more pleasant to secure the money from the Federation by check than to be continually holding up the public." By contrast, a third organization writes: "We helped form the Federation by personally canvassing our list of subscribers and our friends, so there was very little ease in the matter of getting money."

The representative of a Salt Lake City organization writes that "if the Federation had continued its work, he would have had much more time to give to his own work." Another organization writes that the Board members "found it easier to sell tickets . . . than to solicit for the general fund from the business men." The replies included in this and the three preceding paragraphs represent, of course, but eleven of the 70 organizations in the six federations referred to.

6. Joint Annual Reports. It was announced in Cleveland, and was apparently anticipated also in other cities, that an economy would be realized under the Federation from the issuance of joint annual reports in place of separate reports by the various organizations. It is impossible to tell whether such an economy has been effected or not. Even in Cleveland the intention has not been wholly carried out, for the Federation has issued but two reports in four years. For the other years it has used its bulletin, through

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the pages of which are scattered items relating to the various organizations. The Denver Federation has issued a report each year, and the Erie Federation has issued one for the year it has completed. The Dayton Federation has issued one report covering its first three years of work. No other federations have published reports.

From their nature federation reports can give no very full information regarding the work of particular organizations. For example, no organization in the Cleveland report receives more than five pages, while many receive but half a page. It is probably as much for this reason as because of the Federation's failure to publish reports in its second and third year that many of the organizations have continued to publish their own reports. In the summer of 1916, the Committee's inquiry on this point was answered by 27 of the 56 Cleveland organizations. Of the 21 which had formerly issued reports more or less regularly, 13 had issued them also for each federation year and two others for each year but one. One had issued one report and five had discontinued reports altogether.

Inquiry was made regarding this matter in two other cities—in Denver, where there has been a federation report each year, and in South Bend, where no federation report has been issued. Five of the 21 Denver organizations replied. Two had issued no reports; two had issued such reports each year, and one had issued them "usually." Seven of the 12 South Bend organizations replied. All but one of them had followed the same policy under the Federation as before. The exceptional organization which had discontinued the issuance of reports writes: "That was one thing to be done by the Federation to save the individual expense to the different organizations, but no report has been printed."

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CHAPTER VIII

SOCIAL INTEREST AND EDUCATION

NO QUESTION regarding financial federations has been the subject of as much controversy as that suggested by the title of this chapter. Critics of the federation plan have asserted that it cannot fail in time to cause contributors to be less interested in social work, and therefore less informed regarding it and finally less generous to it. Federation officials assert that exactly the reverse has happened. The keenness of the controversy reflects the conviction of both sides that the interest and intelligence of contributors are the breath of life of social work and that unless they are developed, satisfactory progress is impossible.

1. The Old Régime Criticized. Most federations, pre-eminently the Cleveland Federation, have expressed their belief in this principle, and several of them have acted upon it by developing important programs of social education. In addition certain federation sponsors hold that joint financial efforts can and should be educational, but that the tendency of competitive money raising is in the opposite direction. Mr. Williams and the Chamber of Commerce Committee in Cleveland have been fully quoted on this subject on page 40.

2. No Loss of Interest Feared by Federations. In spite of their firm belief that greater educational achievements are both possible and actual under the federated plan, federation officials recognize that its chief danger lies just at this point. Mr. Williams writes that "the largest possibility of failure of federation lies undoubtedly in the possibility of distance intervening between the organization and its supporters." In the Cleveland Federation's first yearbook it is stated that unless every citizen is brought into more intimate touch with social problems and social undertakings than ever before, "there is no question but that the federated plan will ultimately fail; hearts are much more indispensable in this connection than pocketbooks."

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Mr. Norton states the danger as follows:

> There is a real danger under financial federation that there will be a loss of interest on the part of contributors. This was noticed recently in Cincinnati. A man who had given to the Central Budget Committee, designating the organizations he previously had been interested in and giving to, said "Before you started this central collecting, the people who represented the organizations I give to used to call on me, or write to me, to tell me about their work. They do not do this now."

These federation officials believe, however, that they have found ways to avoid the difficulty. In addition to the Federation's general publicity, which is relied upon somewhat to keep up this contact between the giver and the object of his gift, the Cleveland Federation has encouraged the organizations to report to their givers in regard to their work, to hold better meetings, to arrange for visiting days, etc.[1] With the same object in view in certain federations, organizations have been allowed to solicit members, with a fixed maximum membership fee, in spite of the immunity pledge.[2]

In several cities in connection with the federation's whirlwind campaigns several score or even several hundred people, in order to become effective members of their respective teams, are drilled in the fundamental facts regarding the various organizations. In their solicitations, which of course are personal ones, the information so obtained is passed on.

3. Means Used to Increase Interest and Intelligence. The Cleveland Federation's educational activities have been extensive. During its first four years a man trained in newspaper work was employed as director of educational work. The newspaper publicity due to the Federation's efforts has averaged nearly a page weekly.[3] For a year or so bi-weekly window posters appeared in 400 store windows, and on church, school, library, and factory bulletin boards[4]; a speakers' bureau has been established, and during six months in the winter of 1915–16, 205 talks were delivered

[1] Nevertheless, Mr. Williams stated in 1916 that "no plans have yet been found satisfactory for the general visitation of givers by representatives on the understanding that no financial appeal should be made." See also the Cleveland correspondent quoted on page 47.

[2] See page 96.

[3] This "page" represents the clippings appearing *in all newspapers* during a single week. Altogether they equalled the amount stated.

[4] These have been discontinued since the distribution of educational material by the Illuminating Company has been started. See page 88.

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before about ten thousand persons; stereopticon slides, with or without speakers, have been furnished to a large number of churches, schools, and clubs; a photoplay has been prepared, illustrating the work of a dozen typical organizations, and displayed before many different groups by means of a portable motion picture machine owned by the Federation; and lantern slides have been prepared for a number of organizations—particularly an extensive series of such slides designed to illustrate the methods used by the Associated Charities and other affiliated organizations in caring for destitute families. This series was reproduced in part in the *Survey* for March 6, 1915, and was prepared with the co-operation of the organizations concerned. Exhibits have also been arranged in co-operation with various organizations; educational material has been mailed to contributors quite apart from appeals for funds; and six social bulletins have been published, each illustrated with diagrams and pictures and containing a variety of information regarding the Federation and its affiliated organizations. Two year-books have also been published.

In Baltimore a publicity man has only recently been employed, and for that reason the Federation's publicity work belongs largely to the future. An exhibit has been arranged by the Federation for one of its agencies, which occupied a window on a busy corner for two weeks; lantern slides have been prepared showing the summer work of the Federated Charities, one of the affiliated organizations, and motion pictures in connection with the anti-tuberculosis campaign and other forms of social work have been exhibited before about 2,500 people at the Baltimore Community Singings. The Federation writes that newspaper publicity has been undertaken whenever the Federation or any of its agencies has done anything having news value, or on occasions such as the National Child Labor Conference at the Federation's building. Leaflets have been published regarding the Federation or particular agencies, being prepared by the agencies themselves, with the Federation's approval. Public meetings and conferences have been arranged on social questions, etc. The Federation's building, with its facilities for public meetings of all sizes, is becoming a center for all kinds of meetings on social topics.

The Cincinnati Federation has a publicity man on its staff.

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During five months in the spring of 1916 the newspaper articles published at the request of the Federation averaged fifteen columns a month, and an average of nine additional columns a month was obtained by the organizations direct. In addition over forty articles a month were sent to "sectional" papers and eleven editorials were printed. The publicity given to the Young Men's Christian Association is not included in this count, since that affiliated organization obtains much of its publicity direct. The Federation also uses window cards, special hand bills, correspondence inserts, etc. A speakers' bureau supplied an average of 36 speakers per month from October, 1916, to April, 1917. In addition many organizations obtain speakers direct from the Federation's widely circulated list of speakers available. Public conferences have also been arranged and exhibits prepared. The secretary regards the exhibit staged in 1915 as "one of the finest pieces of educational service that has been rendered." Since January, 1917, a monthly publication of 16 pages, entitled *Social Service News*, has been issued.

In Denver, according to a well informed correspondent who wrote in August, 1916, "the Federation has never, so far as I know, done general educational work for the separate organizations except at the time of the annual campaign for money." This statement overlooks the fact that the Federation has published a report each year since its formation. During the year 1916–17, eight small bulletins have been issued by the Federation, certain of them being devoted to the work of particular affiliated organizations, and others to general items of social interest. Arrangements were also made for a series of nine lectures on important social problems.

The former secretary of the Erie Federation writes that it has not pushed publicity, urging rather that the organizations assume the obligation. The secretary has conferred with the organizations and advised as to the kind of material to prepare, has helped them prepare it in some cases, and in a few cases has prepared it for them. He believes that this course is best "in a city the size of Erie at least, where it is an easy matter to get such material in the press." In 1915–16 such matter, he states, "averaged four stories a month" subsequent to the campaign. It is reported also that open-air illustrated lectures on social topics were given under

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the auspices of a committee of the Interchurch Federation, the chairman of which was the secretary of the Federation, in the four principal sections of the city, attended by 5,000 people. For the year 1915–16 a year book was published.

In Dallas in 1916–17 articles averaging about ten columns per month have been published in the local press. These describe both the financial work of the Federation and the work of each organization. The appeals sent to non-contributors throughout the year are accompanied by folders descriptive of the work of the federated organizations. Last year in co-operation with city and state officials an exhibit was prepared for use at the state fair.

In Dayton, through the co-operation of the two telephone companies, information regarding the work of the affiliated organizations has been sent to all telephone subscribers, as enclosures with the mail matter these companies sent out. Nothing else of importance, aside from campaign publicity, is reported. A report was published in 1916, covering the Federation's first three years.

In New Orleans a little attention was given to educational work, newspapers being used somewhat and leaflets distributed in offices and motion picture halls. In Elmira, for a single year one article each month was inserted in the local papers. In practically all of the other cities no work of an educational character has been undertaken except during financial campaigns.

As proof that they have been successful in promoting general interest and intelligence most federations report that the total number of contributors to social work has much increased. The figures on this point will be found in a later section.[1] In still another section[2] a considerable amount of testimony on the general question has been assembled.

4. Critics Fear Loss of Interest. Federation critics recognize that unfederated organizations have usually neglected newspaper publicity and other systematic educational propaganda, and that where such work has been intelligently pushed by federations there has been a gain—at least in the opportunity offered for greater general intelligence in social matters. Their fear that the ultimate results of the plan will be to lessen the interest of the contributor, and hence his intelligence, is based chiefly on the fact that unfederated

[1] See page 194. [2] See page 187.

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organizations, in making their appeals for funds, have personal contact with those to whom they appeal, while such contact is largely if not entirely destroyed by federations.[1] The critics point out that in connection with an unfederated appeal, whether it is through letters or personal calls, there is usually an attempt by the organization concerned to deliver its particular message—the story of what it is doing and why—and that the force of this message is weakened under the federation plan because it is delivered by those less keenly interested in the organization and less informed about it, and because in federation campaigns ten, twenty, or even sixty other messages regarding other affiliated organizations are delivered simultaneously. It is also felt that the interest of many givers is chilled by the barrier which they feel is set up by the federation between the giver and his gift; and finally, that thinking on social matters by contributors is discouraged by the two fundamental features of federated giving, immunity and the undesignated fund. One of the critics states the first objection thus:

> My greatest fear regarding federations is that by tying the tongues of those who are close to each organization's work and are able to speak convincingly and eloquently regarding it, through its prohibition of direct appeal to those who are immune, a federation will dampen personal interest in the work these organizations are doing.

A Cleveland correspondent in close touch with its social work has been quoted on this point on page 40, and a well informed Denver correspondent has been quoted on page 46. The representative of a Dayton organization writes:

> In most cases the necessary work of raising money, together with some personal touch with some particular work, is the most efficient way to maintain the vital interest of each member. For instance, two men who are intensely interested in some particular charity can in many cases collect as much money for their one cause as they now secure for the united budget. . . . This may be overcome by continued education, but I think I have noticed a tendency on the part of the people who used to assist in the raising of funds to dodge their responsibility, and this I lay to the same cause, that the larger, more complex work loses its personal appeal.

In one of the federation cities a business man was interviewed who was much interested in a hospital which had not become a

[1] In comparison with this and the following pages see the discussion of money-raising methods, etc., on pages 87 to 90.

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member of the Federation. He was convinced that if it joined there would be a financial loss, for he and others similarly interested could no longer make the personal explanations regarding the work done that are now made in connection with appeals. For example, he explained, he can now go to the factories of the city and explain how important it is for them to have a modern hospital at hand, elaborating on its equipment, etc. If the hospital belonged to the federation, the owners of the factory would be asked to give to a group of organizations, and those soliciting for funds could not argue the particular merits of the hospital.

The opinion expressed by the critics quoted above has been met with in most of the cities—expressed usually, however, by representatives of organizations outside of the federations. It has been shown in Chapter I that one of the reasons for the refusal of the Young Men's Christian Associations in several cities to join the federations has been the feeling that their organizations would thus lose the personal interest of contributors which they now value so highly. This interest they believe results from their freedom to make personal appeals, incidentally telling of their organization's work.

Mr. Edlund, director of the Baltimore Federation, writes as follows regarding the effectiveness of first-hand educational efforts:

> The task of educating a large community to the needs of social work is so great that it is usually best accomplished by different groups of people enthusiastic about different kinds of work. If these groups are in close co-operation with each other, their work may be even better done.

Mr. Edlund believes that "when the time arrives that a community has a number of well developed agencies with purposes and methods clearly understood by representative groups, it may then be found best for the sake of co-operative endeavor and for the sake of educating people along broader community lines," to combine the various agencies into a federation. He believes that this time has arrived in Baltimore, and is "fairly sure that all our agencies, working together in the Alliance, in this as in other matters, will be able to make a better impress on the thought of the community than ever before."

The second criticism mentioned above was that the force of each organization's message is weakened when, as in joint money-raising

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efforts, all are delivered at once. The critic first quoted above states this objection thus:

I doubt if a giver can hope to be informed regarding the work of thirty or more organizations. It seems to me normal and unobjectionable that one man should give to a group of organizations—two, three, or four—whose work appeals to him particularly, and another man to a more or less different group. That is the situation in most cities with which I am acquainted.

The Denver correspondent quoted above writes in a similar vein that "it is not possible to raise any large amount of money by an appeal for an abstraction—the 'charities of Denver.'" The representative of one of the affiliated organizations in that city writes:

It is doubtless true in some cases that interest is not so great under the federation plan. Where there is a federation composed of, say, twenty organizations, it would be almost impossible to get any average business man deeply interested in anything like the whole number of those organizations, no matter how many times nor how he might be solicited. . . . The question as to how fully the Federation's publicity work may overcome the difficulty will generally depend upon the nature and extent of that publicity work. I think the Federation cannot fully overcome the difficulty.

In this connection criticism has been made of the subscription blanks used in most federations, a reproduction of one of which is shown on pages 172 and 173. In such blanks the affiliated organizations are listed, with the amount of contributions "needed" by each. Against each organization's name there are from two to six or seven lines of small type, in which the purposes and accomplishments of the respective organizations are briefly expressed. Federation sponsors hold that the blank thus gives the one solicited a general view of the entire needs, and enables him to distribute his contribution more wisely than under the old régime, but the critics claim that a list of this sort is depressing, that it tends to make the contributor throw up his hands and assign his entire gift to the undesignated fund, and furthermore, that the descriptive matter is necessarily wooden, because it is impossible in the few lines devoted to each organization to make an effective statement regarding its constructive purposes or accomplishments.

Regarding the barrier which it is alleged federations set up between the giver and his gift, the representative of one of the Cleveland affiliated organizations writes as follows:

How can any vital interest be fostered in givers whose very gifts reach an institution remotely through another organization which is unintentionally a barrier to

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this much desired personal contact and interest? Somehow it seems to me that the finest points of "charity" are hopelessly lost in our Federation, while in its desire to be business-like it has become a purely business or banking organization. . . . If the business man is to be shielded and made immune to approach . . . for this most vital education of all, how can we ever hope to solve our problems? My feeling is, the business man should be approached, should know the exact subnormal conditions of his city. . . . Then as his knowledge and genuine interest grow he will increase his gifts voluntarily.

Very much the same position is taken by another Cleveland correspondent, previously quoted on page 40, as follows:

A fundamental principle in securing contributions is to develop as far as possible the personal connection between the giver and the thing he is giving to. The federation idea . . . goes in just the opposite direction. It interposes between the giver and the object of his gift a big abstraction, an office 'way up in some building, where the poor never go, fitted out with card files and typewriters and manned by clerks who never go near the poor.

According to a New Orleans correspondent, a reason for the failure of the Federation in that city was the fact that "most people like to come in close contact with organizations in whose work they are specially interested," and they complained that the Federation prevents this.

The criticism that federations, through their promise of immunity, shield contributors from thinking on social matters is based partly on federation literature, an extreme example of which is the following, which was printed in large capitals at the close of an appeal letter issued by the Salt Lake City Federation:

Less than five minutes of time and one contribution covers your charity business for the year.

An editorial in the *Utah Survey*, favorable in general to the federation plan, states that "it was especially held out to the business men that, after they gave their lump sum, they would be exonerated from further responsibility." Similarly, the Cincinnati Federation, on the cover of one of its leaflets, features the following phrase: "Ten Days Giving—One Year Relief."[1]

In the *Survey* for October 28, 1916, it was stated regarding the

[1] The secretary of the Federation writes: Our slogan "Ten Days Giving—One Year Relief" is susceptible of several meanings. We had just as much in mind the fact that we were providing relief for the poor for one year as that we were giving relief from annoyance because of innumerable solicitations.

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The Cleveland Federation for Charity and Philanthropy

401 Chamber of Commerce Building

HOMER H. JOHNSON, President JAMES D. WILLIAMSON, Treasurer CHARLES W. WILLIAMS, Executive Secretary

Figures below of "Service Performed" are being tremendously increased in many instances this year. "Amount Requested" is in addition to money secured from services rendered and from endowments.

Page numbers refer to the Social Year Book which contains illustrated reports of these activities. It will be forwarded on request.

NAME	SERVICE PERFORMED Year ending Sept. 30, 1914	Am't Requested	Subscribed
I. To Relieve the Needy and Comfort the Friendless.			
1. Associated Charities....	*Relieved and rehabilitated 32,182 persons in their homes. To the homeless gave 93,062 meals and lodgings. Made 65,879 visits to and in behalf of the poor. (P. 29.)*	$81,650	.....
2. Brotherhood Club	*Returned to self-support and self-respect 890 paroled and discharged prisoners. (P. 43.)*	4,500	.....
4. Cleveland Home for Aged Colored People.	*Gave permanent home to 14 aged colored men and women. (P. 47.)*	1,800	.....
5. Eliza Jennings Home for Incurables	*Provided a home for 84 incurable invalids. (P. 48.)*	5,000	.....
6. Florence Crittenton Home	*Provided a home for 25 unmarried mothers and their babies; and for 25 homeless girls.*	2,500	.....
7. Home for Aged Women.	*Sheltered 45 aged Protestant women. (P. 52.)*	3,500	.....
8. Legal Aid Society.....	*Gave legal service to 2,186 persons (P. 54.)*	4,000	.....
9. Methodist Deaconess' Home	*Made 1562* calls for social and moral aid to the city's afflicted; had aggregate attendance of 4612 in West Side Community House (P. 56.)*	3,000	.....
10. Salvation Army Relief Department	*Helped 328 persons weekly. (P. 58.)*	6,000	.....
10a. Salvation Army Rescue Home	*Cared for 305 unmarried mothers and wayward girls and 132 children (free). (P. 58.)*	7,000	.....
37 The Retreat	*Gave shelter and training to 48 unmarried mothers. (P. 61.)*	3,000	.....
III. To Insure Equal Opportunity to All.			
30. Boy Scouts of America, Cleveland District Council	*Provided practical training in efficiency and helpfulness for 1800 boys. (P. 162.)*	4,000	.....
31. Central Friendly Inn...	*Provided moral, mental and physical uplift for the people of Cleveland's most congested housing district. (P. 164.)*	10,000	.....
32. Girls' Bureau			
1. Vocational Guidance..	*Aided in effectively employing 945 girls.*	5,000	.....
2. Lake Breese Camp...	*Provided inexpensive vacations for 624 girls.*		.....
3. Vacation Savings Club	*Acquired 450 depositors in first two months of existence.*		.....
33. East End Neighborhood House	*Provided inspiration towards betterment of life in a foreign district of 21000. (P. 139.)*	2,400	.....
34 Golden Rule Home.....	*Provided a home for 80 working girls receiving wages averaging $7 a week. (P. 155.)*	100	.....
35. Hiram House	*Provided wholesome recreation for children and adults in the Orange Ave. district, having an enrollment of 9,500 and a total visitation of 326,951. (P. 141.)*	23,779	.....
42. Howe Publishing Society for the Blind.....	*Published raised type books with an estimated circulation of 15,000 thruout the country, and a magazine for the blind children of Cleveland. (P. 169.)*	1,200	.....
36. Lakeside Rest Cottage..	*Provided two-week outings for 250 working girls. (P. 159.)*	500	.....
38. Mary E. Ingersoll Girls' Friendly Club	*Provided training toward self-improvement for 253 girls. (P. 130.)*	1,670	.....
60. Society for the Blind...	*Did preventive, educational, social and industrial work for Cleveland's 621 blind. (P. 167.)*	7,000	.....

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II. To Aid Orphaned and Needy Children.

3. Catherine Herstman Training Home	*Gave 45 homeless girls an all-around training. (P. 45.)*	2,000	.....
14. Children's Aid Society	*Provided home and schooling for 108 destitute children. (P. 77.)*	4,000	.....
15. Children's Fresh Air Camp	*Provided country outings of two weeks for 625 needy children; in summer camp and hospital for sickly children and mothers supplied 100,000 meals and lodgings; in winter conducted "preventorium" for anemic and tuberculous children.*	25,000	.....
17. Cleveland Christian Orphanage	*Provided home for 96 needy children. (P. 86.)*	8,000	.....
12. Cleveland Day Nursery and Free Kindergarten	*Gave day-time care to 931 children in 621 families dependent mainly on mother; with an aggregate attendance of 53,422. (P. 53.)*	21,700	.....
13. Cleveland Humane Society	*Protection given 2,596 neglected children and 13,176 animals. (P. 68.)*	10,000	.....
Home Finding and Child Placing Dept.	*Had under supervision 451 dependent children, mostly placed in private families.*	6,000	.....
64. Cleveland Protestant Orphan Asylum	*Provided home for 269 orphaned or abandoned children. (P. 93.)*	1,000	.....
19. Epworth Fresh Air Camp	*Gave 10 day outings to 344 poor children and mothers. (P. 104.)*	1,200	.....
20. Home of the Holy Family	*Furnished home care for 40 homeless children. (P. 105.)*	3,000	.....
57. Hungarian Evangelical Home	*Provided home for 40 orphans; day nursery for 30 children of working mothers.*	4,428	.....
22. Jones Home for Friendless Children	*Provided home for 164 homeless children. (P. 106.)*	2,500	.....
23. Philanthropy Committee Federation of Women's Clubs	*Provided 4,000 school breakfasts and penny lunches each month for underfed children; meals for 320 tuberculous and 45 blind children. (P. 109)*	1,200	.....
56. Educational Committee Federation of Women's Clubs	*Provided grammar and high school pensions for needy children. (P. 110)*	300	.....
25. St. Anthony's Home	*Provided a home and night school for 69 working boys. (P. 112.)*	3,500	.....
55. St. John's Orphanage	*Gave continuous home and schooling to 28 girls. (P. 113.)*	4,000	.....
26. St. Joseph's Orphan Asylum	*Gave home and schooling to 257 orphan girls. (P. 114.)*	10,000	.....
27. St. Vincent's Orphan Asylum	*Gave a home and training to 382 destitute boys. (P. 116.)*	5,000	.....
28. Sisters of the Good Shepherd	*Provided an industrial training home for 400 girls. (P. 170.)*	10,000	.....
29. Sunbeam Ass'n for Cripples	*Helped 118 crippled children to schooling. (P. 145.)*	4,000	.....
12. Women's Christian Temperance Union (N.P.)	*Supervised all-around betterment for 3000 young people thru five affiliated organizations. (P. 178.)*	600	.....
39. Young Women's Christian Association West Side Branch	*Provided home protection, social and club privileges, summer vacations and educational, physical and spiritual training for 21,140 girls and women. (P. 147.)*	18,067	.....
		6,000	.....

IV. To Heal the Sick and the Crippled.

40. Anti-Tuberculosis League	*Registered 3800 tuberculosis cases, conducted a sanitarium for 30 tuberculous children, and furnished milk and eggs and solved family problems for many needy consumptives. (P. 193.)*	12,000	.....
13. Babies' Dispensary and Hospital	*Supplied milk and gave medical, surgical and nursing care to 6,085 babies. (P. 197.)*	25,000	.....
41. German Hospital	*Treated 960 acute medical and surgical cases. (P. 202.)*	15,000	.....
21. Holy Cross House	*Sheltered and schooled 90 dependent and helpless crippled children. (P. 144.)*	6,500	.....
43. Maternity Dispensary (St. Luke's)	*Cared for 31 women in the hospital and 216 in homes. (P. 215.)*	6,000	.....
44. Maternity Hospital	*Cared for 351 mothers and 343 babes. (P. 204.)*	5,000	.....
45. Provident Hospital	*(No figures—institution too new.) (P. 206.)*	500	.....
24. Rainbow Hospital	*Nursed back to health 148 convalescent crippled children. (Capacity recently doubled.) (P. 207.)*	18,000	.....
46. St. Alexis Hospital	*Cared for 3011 cases—427 pay; 1180 part pay; 1544 charity. (P. 210.)*	10,000	.....
47. St. Ann's Maternity Hospital and Infant Asylum	*Cared for 707 maternity cases and sheltered 1067 infants. (P. 211.)*	15,000	.....
48. St. Clair Hospital	*Cared for 924 cases; 64 without pay. (P. 213.)*	4,000	.....
49. St. Luke's Hospital	*In hospital, 8,218 cases, 841 charity or part pay; in accident dispensary, 6,096 treatments, of which 1,962 were free. (P. 215.)*	21,000	.....
51. St. Vincent's Charity Hospital.	*Cared for 3677 cases; 1800 charity. (P. 218.)*	6,500	.....
Free Dispensary	*Gave 28,446 treatments. (P. 218.)*	1,000	.....
52. Visiting Nurse Association	*Gave home care to 6,000 needy, sick, or injured. (P. 221.)*	25,000	.....
53. Woman's Hospital Association (Women's and Children's Dispensary)	*Treated 2053 women and children unable to pay full fees. (P. 224.)*	5,000	.....
At the Discretion of the Federation	.....	.....	.....
Other Organizations	.....	.....	.....
	Total (56 organizations)	504,494	.....

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Cleveland Federation that well-to-do men were willing to give more if they could sign one check and "have done with it." Immunity, the critics claim, makes it possible for a contributor to remain in the dark socially and allow the federation to do his thinking for him. A Denver correspondent challenges the whole immunity conception as follows:

It appears to me that so long as troubles exist in a community people who are able to bear them ought not to be relieved of solicitation but ought to have the burden perpetually presented to them from its various different angles. Of course they do have a right to reliable information as to the needs, importance, and relationships of the various charitable organizations. A Federation for counsel and information which could do this for them would be of enormous value, but they dry up their sources of benevolence instead of developing them, as it seems to me, when they add the financial plan, and the history of the Denver Federation proves it.

It has already been pointed out[1] that in Cleveland there is considerable feeling that the immunity rule should not be enforced in all cases, and that permission has recently been given to at least one organization to appeal directly to certain persons who had been promised immunity from such appeals.

One of the federations has been affected to its disadvantage by the application of immunity to itself. Two local churches, which raise funds jointly, once each year, for their missionary, educational, and other church benevolences, have recently placed the Federation on their lists as one of the organizations to which designation may be made, or which share on a specified basis in the money that members give without designation. Some men who previously gave direct to the Federation have recently refused, explaining that they now give through their churches. The secretary of the Federation is troubled by this, for in his opinion the Federation is the loser financially by the fact that its representative cannot approach these men and present the Federation's particular claims before they make their subscriptions.

Undesignated giving is only a little less objectionable in the opinion of the critics than immune giving. The second sentence in the following quotation from a business man in Denver puts the objection succinctly:

An opportunity is afforded to the subscriber to make one single donation which will be devoted intelligently to the needs of the various institutions. The ordinary

[1] See page 98.

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business man is unable or unwilling to take the time necessary to make proper discrimination.

In so far as such men are really unable to take the necessary time to inform themselves, the criticism, of course, loses its force; but many who are merely unwilling to give time to such thought, the critics aver, might become willing if the matter could be presented to them right. The Baltimore Federation's decided encouragement of designated giving is referred to on page 48.

In all federation cities for which figures are available a considerable proportion of the affiliated organizations show a smaller number of people designating to them under the federation or giving to them direct than had given to them previously. In other words, under the federation a part, and in some instances a very large part, of their former contributors either gave their money without designation, or in their designations omitted the organizations formerly given to, or ceased to give altogether.

From the few figures available on this subject a table has been derived which is shown on page 254. The Associated Charities shows a decrease in each city for which its figures are available and there is no doubt that in the one missing city, Cleveland, the Associated Charities also had a similar decrease. In the year before the Federation it had about 6,000 contributors, as compared with but 3,838 who gave to the Federation, in its fourth year, for all organizations. In two cities the decrease shown for the Associated Charities is the largest decrease on the list. In all cities, when the federations were formed, the Associated Charities probably had the largest and in certain cities by far the largest contributors' list. As a result of the pooling of lists, and the joint appeal to the new list, there was naturally a tendency toward a levelling up and a levelling down in the matter of designations as compared with the previous number of contributors. The greatest contrast is furnished by the figures for the Associated Charities in Erie. It had 1125 contributors before the Federation and but 203 designations and direct contributors together in the Federation's first year.[1]

[1] This does not include an unknown number of "memberships" in the Federation year. The corresponding figures for the associated charities in the other cities shown on page 254 are as follows: Baltimore, 1,365 in place of 3,646; Cincinnati, 983 in place of 2,056; Oshkosh, 163 in place of 241.

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A Cincinnati correspondent doubts whether decreased designation to an organization indicates any loss of interest. He writes:

I personally know of a number who have not lost a particle of interest in our organization, who, nevertheless, gave to the discretionary fund without specifically designating us.

Another organization in that city writes:

Many of our largest subscribers, including some of our trustees, believe so thoroughly in the discretionary fund that their subscriptions were so made, recognizing the fact that our organization shared in that fund in proportion to its budget.

Mr. Norton holds that in most cases the contact here discussed between givers and particular forms of work is not essential to the intelligent interest of contributors in a city's social activities. There are some for whom such contact is essential—certain large givers, and in addition a large group of small givers of the type that answers special family appeals—and for them the specialized appeal is necessary in money-raising. They demand that they be informed regarding the particular work for which their contribution is asked. Mr. Norton believes it is doubtful, however, whether the interest of most givers can be specialized; they are benevolently inclined and want to give simply to "charity." He writes:

The Central Budget Committee started out with a plan that was intended to keep the organizations as close as possible to those who designated gifts to them. A receipt was sent by the committee to the contributor, and all of the organizations he designated later on sent him receipts also. The latter receipts were cut out because it was found that people protested. They said it was a waste. If they had lacked confidence in the committee they would not have given at all.

A prominent business man in Cleveland stated that in his opinion "only a small number of contributors needs to be informed in detail in regard to the object of their contributions." He believes that it would be sufficient if the Federation were to select "those with whom educational work is a possibility," and confine its efforts to them.

5. Joint Collection in Churches. Reference was made in an earlier paragraph to the system, now quite common in certain churches, whereby subscriptions are made at one time for missionary, educational, and other benevolent purposes. In the operation of this system, usually called the "Every Member Plan," a single Sunday is set apart for obtaining subscriptions, this replacing the many solicitations previously made throughout the year.

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The subject has no direct bearing upon that under consideration in this report and no general study of it has been made. But in so far as information has been obtained through inquiries put to two national church boards it appears that the points at which the system has developed weaknesses are exactly those under discussion in the preceding paragraphs—immunity and the undesignated fund. Thus the General Assembly of the Presbyterian Church in 1914 stated that "undesignated giving is liable to be unintelligent giving, and unintelligent giving in the last analysis becomes ungenerous giving." The Assembly's purpose, it is explained, is to raise up "a higher type of givers within the Church, who will not be content to delegate their responsibility to others, not even to the Session, but will seek to know the facts and in the light of these will think and act for themselves."[1]

The subject is fully discussed in an article in *The Assembly Herald* for January, 1917, from which the following paragraphs are quoted:

For several years past, the [Presbyterian] General Assembly, through its Every Member Plan Committee, has been advocating and urging upon the churches the adoption of systematic giving. . . . The result has been success. It may be stated confidently that the Church, in a large number of its Synods and Presbyteries, has accepted the business-like proposition that its offerings shall be no longer subject to haphazard conditions or personal inclinations, but be placed on the solid basis of annual subscriptions, intelligently determined and definitely pledged. . . .

Notwithstanding, however, that this is true, the fact still remains that the church is giving far below its capacity. . . . There has, however, in this development of system been the same revelation of both the strength and the weakness of the method that always comes from experience. There is no chapter in the story of inventions more pathetic than the fruitless search of men for perpetual motion: Clocks that will wind themselves up at the same time that they run down. . . . Unconsciously pastors, sessions, and churches seem to have accepted the idea that they could depend upon a mere method in gathering of contributions, and that they had discovered one that was unusually effective in the Every Member Plan and Budget Offering which would enable them, once having adopted it, to give it no other thought. Naturally, there has come disappointment.

At first, and as a substitute for no method in a church, there was an appreciable and sometimes very large increase in the offerings, any method being better than no method. The initial enthusiasm, however, soon spent itself. This was particularly true in the larger churches. Pastors not infrequently found that, after the first two or three years, while they had lifted the whole scale of benevolences to a higher level, they were not able to make a further advance. In trying to analyze

[1] Manual No. 2 of the Assembly's Committee on the Every Member Plan.

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the reason for this it has become very evident that it is to be found in the elimination from the churches of certain necessary stimuli which must always be maintained if there is to be a tingling life and an increasing enthusiasm. Among these stimuli are:

First: The enthusiastic presentation of the story and facts of missions from the pulpit by the pastor. Under the old régime a pastor felt this responsibility. Under the new régime and budget plan many of the pastors ceased to make a specific appeal in behalf of the various Boards. Too often in adopting the budget plan a pledge was made to the church that no special appeals of any kind thereafter be made to the congregation. Unconsciously this promise was an appeal to a secondary and selfish motive, and it bore its natural fruit. No man will give largely if he gives unintelligently. Any man who feels his responsibility towards his money will not put much of it in the hands of someone to administer it for him. His interest follows his gift, and intelligent knowledge of a cause is sure to result in increased offerings. It became necessary, therefore, for the Every Member Plan and the Executive Commission to deal directly with the benevolences at this point. With the approval and by the authority of the General Assembly, they have, therefore, while endorsing even more enthusiastically than ever before the Every Member Plan, urged the churches to restore the former method of setting apart a Sunday for the presentation of the various missionary and benevolent causes represented in the Boards of the church according to the following schedule.[1] . . . In connection with these presentations there should be an offering. It should be distinctly stated that those who are giving under the Every Member Plan are not thereby put under pressure to add to their gifts, but that if their hearts are touched and stirred by the message which they hear the opportunity is open for them to do so. . . .

Second: The designation of offerings by the donors as a result of this instruction. In order that the individual should be encouraged to study the different causes and to determine where his money should be allocated, the General Assembly at Chicago, in 1914 took action urging that pastors and sessions encourage the people to indicate on the subscription card the proportion which they wished given to the different Boards, all omnibus and undesignated giving to be discouraged.

Dr. Herman Swartz, secretary of the Congregational Home Missionary Society, writes in a somewhat similar vein as follows:

It was also understood by a great majority of the churches that the acceptance of this plan would give them immunity from special and concrete appeals. A number of the churches stood out against this feature . . . on the ground that it was bad practice both financially and psychologically, and that it would ultimately result in a serious curtailment of giving. In recent years, there has been a serious and growing movement toward the more immediate presentation of the relationship of giving to the spiritual life of the donor. To this end, many churches plan for regular additional solicitations.

6. Membership Losses in Federations. A complication due to

[1] The schedule shows one Sunday in each month of the year to be set apart for such presentation.

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undesignated giving arises in connection with organizations that regard as members all who contribute more than a specified sum each year. These persons constitute the organizations' mailing lists, the lists to which invitations are mailed to attend the annual meeting. After a federation is formed, in proportion as the members of an organization decide to make undesignated contributions, membership relations cease unless artificially re-created in some way. In Elmira, where the Federation is now six years old and where almost all contributions are undesignated, membership in the affiliated organizations has practically disappeared. The only members left are the members of the several Boards of Directors, and they have been re-electing themselves or occasionally electing an outsider. The officials realize that this is not desirable and have asked advice as to how membership in the several organizations can be restored. It has even been suggested that they might have campaigns in which people would be asked to become members without paying any dues.[1]

In Erie, where a large proportion of the money received by the Federation has been undesignated, the Associated Charities had 1,125 contributors, and hence members, in the year before the Federation. But only 166 designated the Associated Charities during the Federation's first year. Most of the others, presumably, gave to the Federation, but gave entirely, or largely, to the undesignated fund.

In realization, evidently, of the undesirability of such a tendency, the Erie Federation has provided that, in addition to those who designate amounts equal to certain organizations' membership fees, "all persons who do not designate their gifts shall be considered members in those organizations in which they held memberships during the year 1914–15 [the year before the Federation], provided the amount of their [undesignated] gifts is equal to the amount of such memberships." Seven months after the Federation was formed, when the Associated Charities wished to send a folder to all who qualified as members under this rule, it found that the Federation could not furnish their names,[2] and it was therefore obliged

[1] See page 96.

[2] To operate under this rule and the additional one suggested in the next paragraph, it would seem to be necessary for the Federation, as a matter of bookkeeping, to credit the membership fees, thus assigned, to the proper organizations, leaving

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to send its folder to all who had contributed to it during the year before the Federation—this in spite of the fact that the front page of the folder featured the statement that "the Associated Charities desires to acknowledge with grateful appreciation your contribution made through the Social Service Federation."

It is apparent that under this rule an organization's membership must gradually decrease through the unavoidable failures of certain contributors to renew. It has therefore been suggested in Erie that even though contributors did not give to any particular organization in the year before the Federation was formed, if their total to the undesignated fund in any Federation year is large enough to cover the minimum membership fees in all organizations, they shall be regarded as members of all.

7. Federations' Educational Propaganda Examined. Earlier in this chapter attention has been given to the fear that under federations interest in particular activities will be lessened. It remains here to consider the fear that has been expressed lest this loss, in so far as it is a real one, will not be compensated for by the federations' educational propaganda.

Federation critics recognize the gains recorded on pages 164 to 167, but they note that most federations have to a large extent neglected educational work of the type there described, a few apparently because they have not realized its importance, but most of them because funds for it have been lacking. Thus in Dayton, Denver, New Orleans, and South Bend, the intention to carry on educational work was formally announced when the federations were organized, but nothing of importance has been done outside of campaign seasons, with the exception of a beginning recently made in Denver.

The financial difficulty responsible for these failures to carry out the original plans has been referred to by several federations. The secretary of the Dayton Federation states that but for the pressure of financial work he would have gone out with the visiting nurses and other social workers among the poor so as to get material for stories. The South Bend Federation feels that a monthly publication should be issued, but explains that "funds will not permit

only the balance of these persons' gifts available for distribution at the discretion of the Federation.

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it." The New Orleans constitution required all annual reports to be printed, but the Federation reports that it "never had the money" to have this done. There seems to be a tendency also for organizations to neglect educational work, when the financial spur no longer exists. Regarding its failure to print an annual report in the Federation's first year, an Erie organization writes as follows:

> Our society did not print an annual report last year, the feeling being that since it was not needed for use in the financial campaign, the expenditure would hardly be justified. Another reason was the pressure of work.

In addition to the objection that federated educational work tends to be neglected, criticism has been made of its quality. It is asserted that some of it is uneducational. In an effort to judge as to this, the Committee has asked for copies of all the printed matter the federations have issued, and a quantity of it has been received. In addition, the services of two clipping bureaus have brought in many illustrations of the federations' newspaper work, and in one city the Federation's scrap-book of clippings was examined.

A large amount of constructively written material has been submitted by the Cleveland Federation, and some by the federations in Baltimore, Cincinnati, Erie, and Denver. The following, issued by the Cleveland Federation, may be particularly mentioned: a display paragraph in the Federation's Bulletin for July, 1915, under the heading "Dangers that Lurk in the Streets for Youth," used in connection with a picture of street boys playing craps, etc., to illustrate the need for social settlements; an article in the Bulletin for May, 1914, showing the increased earning capacity of girls who had taken the Young Women's Christian Association dressmaking courses; a folder entitled "Then and Now," contrasting the days when neighborhood helpfulness was the rule with the modern period when organized charitable work is necessary, what that work is being suggested briefly but constructively; a folder entitled "Saved," showing two children under the care of the Humane Society, and listing effectively the variety of services that the poor need.

Some of the educational material issued by federations has been criticized on the ground that it "lacks the breath of life" and therefore is but little read.[1] Thus the representative of an affiliated

[1] See the Cleveland correspondent quoted on page 40.

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organization not in Cleveland, who studied the Cleveland situation considerably before his own city adopted the federation plan, writes as quoted at the top of page 40.

Regarding a booklet issued by the Federation in his own city, this correspondent adds:

> It had to describe so many agencies that it was condensed to the last limit, and of necessity contained wholesale statements which could not be taken without qualifications. In fact we felt at the time that we were not permitted to make as full and exact a statement as the conditions really required. It is one of the necessary disadvantages of publicity work in an organization so all-inclusive.

More serious is the criticism that federated publicity frequently tells its story in a way that does not square with the constructive ideals that most federations have announced. For example, the representative of one of the Cincinnati organizations writes that "the 'sob appeal' has been somewhat overworked and not enough emphasis in proportion has been given to constructive as to rescue work." One of the Cleveland organizations, in its criticism of Cleveland publicity, uses the same expression: "There is too much attempt to appeal to sentiment, too much of the 'sob story.'"

In the material submitted by the various federations there are a good many instances which seem to the writer to justify the criticism that they are non-constructive. Some of them are referred to in the paragraphs that follow. For obvious reasons the names of the federations concerned in each instance are not given. The eight federations from which the illustrations are drawn are those in Cleveland, Baltimore, Cincinnati, Erie, Dallas, Dayton, Denver, and Salt Lake City.[1]

1. On the subscription blank of one federation, in its first year, in the fine type that summarizes each organization's work, it was announced that the Associated Charities had "relieved and rehabilitated" a given number of families during the year—the entire number that had been under care. The cost of accomplishing this was stated, from which it is easily calculated that rehabilitation was effected at an expense of five dollars per family. This statement has been criticized by several charity organization workers for its exaggeration, and for its degradation of the word in which this group has endeavored to embody one of its chief ideals. More

[1] In several instances campaign publicity material is referred to.

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surprising than the use of the statement in the federation referred to is the fact that it was imitated by two other federations in the next two or three years, the figures merely being changed as necessary. These three federations are among the largest and strongest studied. The secretary of the Associated Charities in one of the cities writes of the incident as follows:

In justice to the Federation publicity people, I feel I ought to say that while they were anxious to make as strong a story as possible, they did not intend to mislead. They were laboring under the disadvantage that always comes from the attempt to condense a thing too complex for a simple statement.

2. A folder issued by another federation includes the following: "May we ask what share you will take to prevent and relieve suffering and distress which will come from cold, hunger, and sickness, during the coming winter?" and later, "It is for you to say how much charity you wish to exemplify, how much misery and sorrow you wish to prevent, how much distress you wish to relieve" and again, "You need not be informed that the coming winter will bring to men, women and children much sorrow, suffering, sickness, and distress. It is the duty of the citizens in the community in which distress exists to do everything which can be done to relieve this condition." Again, "The Federation does not ask you to actually feed the hungry, clothe the needy, administer to the sick, but does appeal most urgently for your assistance and co-operation that this assistance may be rendered." In two of the sentences quoted above, and elsewhere also, mention is made of the fact that prevention is among the aims of social work, but the emphasis is not at all on that side.

3. On the cover of a leaflet issued by a third federation there is a cartoon representing "Old Man Grump" with a basket on his arm. In the basket are provisions, and money is in his hand. He is hurrying joyously along a path marked "To the [Federation]"[1] and saying, "Huh! I guess it won't hurt some of us to think about the other fellow a little."

4. An appeal issued by another federation indicates the difficulty of telling a dozen or twenty stories constructively at once:

The $..... [asked for] will care for the helpless baby, the homeless child, the neglected boy and girl, the betrayed, unmarried mother, the poverty stricken

[1] The name of the particular Federation was used in the cartoon.

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mother and her baby, the crippled, the sick and the injured, the family in need, the abused and the neglected, the victim of tuberculosis, the released prisoner, the friendless boy or girl coming to the city from the country, the mentally deficient, the down and out, whether man or woman; and the growing boy and girl of every section. In fact the $..... will cover the care of every person in need, from infancy to old age and from the strong man out of a job to the sick child. The work of these organizations of mercy is city-wide, covering persons of every creed and race.[1]

5. Another federation sent out a card folder appeal at Christmas time on the front of which was shown the picture of a miserable looking child gazing at her empty stocking as she sat on a stool before the fireplace in her bare room. The wording of the appeal on the inside of the folder, and also the wording of much of the campaign folder referred to in the next sentence, was, however, as constructive in character as the limits of space would allow. This Federation's most recent campaign folder is headed in red type, "Let us Save the Kiddies and their Mothers."

6. An appeal letter issued by another federation opens as follows: "To every citizen: Charity suffereth long—especially those who have to live on it. Our city is reducing her charities to a business basis. As a citizen you are involved. We must eliminate the parasite, the viciously idle, the professional mendicant, and the too visionary philanthropist. But we must provide for the worthy destitute and the unfortunate."

7. Another federation, in disregard of the confidential relationship which associated charities workers try to establish with those who are in their care, prints on one of its store-window posters the picture of a young couple "snatched from almost certain ruin and death by the Associated Charities." Another poster shows a woman with her three children seated in their barren home.

8. In another federation, during its campaign, a store-window poster was used, showing a tousled five-year-old boy asleep, apparently in the street. The text featured "the cry of the hungry for bread," "the orphan unguarded from the cold," and urged all to "share their bounty with the poor."

9. A poster used in another federation's campaign attempted to

[1] In the preceding paragraph of this appeal the constructive side is at least mentioned. The Federation asked funds "to relieve suffering, to prevent needless misery, and to build up the physical and mental standards of our people."

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show by means of a tiny picture for each organization what it is doing. The circle, two inches across, which represents the Associated Charities pictures a man shoveling coal from his cart while a decrepit woman gathers it up in her scuttle.

10. In the same city a letter evidently sent to those who were about to be called upon in the financial campaign urged contributions by asking those solicited to imagine their children "left penniless and orphaned—the dimpled baby, in her high chair, waving her silver spoon and chattering like a chipmunk, her pretty face breaking into adorable smiles every time she looks at you—manly little Joe, with his cherubic face, his tousled curls, and his efforts to walk and talk like father—dainty Bessie, fragile and delicate, your heart's treasure, whose golden head is always nestling against you," etc. The letter closed by urging the receiver to "deny yourself something, make a sacrifice, lay your gift upon the altar of charity as a thank-offering for the joy and happiness that are yours."

11. In the clipping scrap book examined in one of the federation cities, occasional clippings were of a constructive type, showing by the details covered that they had been written, or the material furnished, by workers in the affiliated organizations, but most of them were of the character of those quoted or referred to in the following paragraphs:

"Charity is a business. . . . To protect you from the chance beggar and to relieve the worthy person is the object of organized charity. . . . Organized charity relieves real distress and helps the object to become again self-supporting. But organized charity must have a business management. The workers may be led away by their feelings and do things that may be a help to the person afflicted, but not in accordance with sound practice. They may become extravagant because no business guidance is available. To overcome this obstacle the federation was formed. . . . Trained men and women pass on each case presented and no money is spent unless the need is shown."

A cartoon used during campaign week was headed "Remember every little bit helps" and represented "Father ———[1]" on an automobile, on the engine of which was the federation's name. In place of the tonneau was a hopper, open at the top, into which "Father ———"[1] was shoveling "Money, Food and Clothing for the Relief of our own Poor." All were urged to "Help make it a Merry Christmas."

Another cartoon was headed "You can help drive out the wolf—Contribute to the Christmas Fund." The wolf was labeled "Want," and "Father ———"[1] was

[1] The name of the city.

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driving him away with a big stick labelled to show that it was the Christmas Fund of the Federation.

The headings for a series of articles that appeared on successive days were: "Are you immune?" "Have you subscribed?" Under these appeared the names of the contributors. Sometimes the heading read "Charity Fund—Immunity List."

In another article which appeared during campaign week the photograph of an old and evidently very sick man in a squalid room was entitled, "Actual scene from life that should arouse your sympathy."

A few federations have been criticized for not being altogether frank with the public in making their appeals for funds. An official of one federation, referring to an organization whose work makes a very strong appeal, but which had a large endowment, explained: "They don't really need us except when they have some extensions to make to their plant, but we need them. We couldn't get along without them." Similarly two federations, including one of the largest, in their whirlwind campaigns asked the public for lump sums without making known the amounts needed for each organization. In one of these cities designations were provided for but the subscriber was furnished no information as to the relative needs of the various forms of work.

Critics of the federation plan contend finally that federations are not necessary in order to have good educational work. In certain unfederated cities, it is maintained, a standard of educational activity has been developed that compares very favorably with what the federations have produced. In this connection attention is called to the quotation shown on p. 44, from Mr. Edlund of the Baltimore Federation, and previously connected with the Cleveland Federation, regarding the situation in Baltimore before the Federation had begun its educational work.

As soon as any considerable amount of publicity is undertaken by a federation some one must decide how often and when each organization shall have its turn, how much space each must have in the joint report,[1] etc. Fear has been expressed in unfederated cities that joint publicity will break down at this point. Federation officials, however, so far as heard from, deny that any difficulty has been experienced or even criticism made of the decisions

[1] In the Cleveland Year Book for 1916, the Retreat (for unmarried mothers) with contributions of less than $2,000, had one page given to it while the Associated Charities, with contributions sixty times as large, had but four pages.

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that have been made. In Cleveland[1] it was the Committee on Research and Publicity which, as Mr. Williams states, "attempts the rather delicate undertaking of setting forth the various activities before the community in a loose approximation to their need and comparative excellence." In Cincinnati the Federation reports that the publicity given to the various organizations is controlled largely by their willingness to help in its preparation and by the respective needs of the various budgets. A Cleveland organization which is a firm believer in the federation plan writes in this connection as follows:

On the whole we feel decidedly the benefits of the co-operation with other charities although our work is at a disadvantage because of the popularity and fascination of work for children. Such work makes interesting moving pictures, valuable for advertising purposes. "These ought ye to have done and not to leave the other undone."

8. Testimony. The general testimony received during the year 1916 as to public interest and intelligence regarding social matters relates chiefly to Cleveland. The treasurer of the Federation, Rev. James D. Williamson, in response to a letter from a member of the Committee asking whether giving in one lump sum has increased or decreased the contributors' interest in the causes that receive the gifts, wrote:

That is a pretty difficult question to determine, but I am inclined to think that the interest has been increased. In seeking his pledge a sheet is put before him, giving a list of all the causes in the Federation, with a brief statement of the mission of each and its budget for the year, and thus his attention is almost necessarily called to objects to which he had previously given little or no thought. . . . Of course there are some who get rid of the whole matter by turning in a lump sum and leaving it to the Federation to make distribution as it sees fit, but a very large proportion make their own distribution.

As proof that under the system which allows both designated and undesignated gifts, interest in particular causes has increased, the Federation states that if only those givers, before the Federation, who renewed to the Federation itself after it was formed are considered,[2] on the average they "designated to twice as many organizations as they had given to previously."

A correspondent close to the Federation wrote: "We certainly

[1] Under the form of organization that existed up to December, 1916.

[2] The number thus considered in the Federation's first year was but 2,948 out of an estimated total of 5,500 former givers. See page 255.

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have no reason to think that an immune, lump sum contributor tends to be less intelligent and less generous each year." A public official, in close touch with the city's social work wrote:

> I do not believe that the Federation has resulted in any way in a lessening of the contributors' interest but rather that they are coming more and more to see that we have a community problem and that no one phase of social work stands by itself, separate and apart, but that it is only by co-operation that we are going to get ahead.

Regarding the Federation's success in enlightening the general public as to community needs and training it to a recognition of its responsibility, the Treasurer of the Federation wrote further in 1916:

> It is along some such lines as these that I think our Federation has been most successful and is justifying its continuance.

A representative of one of the organizations, who is not altogether satisfied with the Federation on the financial side, wrote:

> The educational propaganda also has a wide appeal, especially to the various organizations. Something has been done also along this line through lectures in churches, clubs, etc., but not nearly so much as we had hoped.

Early in 1916 several Cleveland social workers identified with affiliated organizations expressed their opinion that valuable educational work had been done. They felt, however, that the Federation should give attention to developing means by which, in co-operation with the constituent organizations, it could interest donors more intimately in the actual work of the organizations.

One of the organizations wrote that "newspaper publicity does not reach people as a rule, and the bulletin is too big a mass for them to get anything definite from." A business man, on the board of one of the organizations, held that "most business men are too busy to read the material that appears in this bulletin or in the newspapers as a result of the Federation's activity." He explained, however, that the same thing was true of the educational efforts of organizations before the Federation was formed. Another business man considered the results obtained as "thoroughly worth while, so far as from one-half to two-thirds of the contributors are concerned, but that it does not do to rest there. The message can be carried over to one hundred per cent efficiency only by means of personal calls." The correspondent quoted on page 187, as

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thinking that an immune contributor is not less intelligent, etc., added the following:

There has been a noticeable tendency on the part of the constituent members of the Federation to neglect effort to enlighten and interest their contributors. Possibly, however, a better way to state it is to say that few of them have as yet invented new ways of keeping in touch with their contributors, which will conform to the conditions and advantages of membership in the Federation.

Another business man, closely in touch with the Federation's work, wrote:

Many consider the fact of eliminating the personal contact of contributors with the charity organizations as objectionable, and no doubt it is to a considerable degree. . . . As a mechanical institution, I would call it [the Federation] a success, but as a heart-to-heart touch, which it is dangerous to eliminate entirely, I believe it objectionable. This is largely a personal opinion, however, although I am not alone by any means in thinking of it in this way. Doubtless from time to time it can be improved.

A Baltimore affiliated organization wrote as follows regarding solicitation under the Federation in that city:

The main disadvantage has been due only to the fact that it has not yet been worked out how the appeal shall be made to possible subscribers in a way to secure personal interest in the different organizations.

Mr. Edlund stated recently that in the federation plan there is an "inevitable tendency to lessen the interest felt in the work of individual societies." On the other hand, the representative of a Cincinnati organization has written recently that there is now "an intensive interest in our plans which only plans in common can give." This writer seems, however, to have reference not to the interest of contributors but to the interest of organization representatives in their own and each other's work, or in activities undertaken jointly through the Federation.

An organization in the Denver Federation, referring to the reorganization of the Federation in 1913, wrote as follows:

Our organization into a Federation was hasty and the public was not properly advised and educated as to the movement, and it has not yet been given the publicity required to draw to our Federation popular favor.

This writer recognized, however, that the Federation's publicity had accomplished something, for he added:

We believe there is an improvement over last year in every way except financially, and that the ground work has been laid, both by better organization and by publicity, for great improvement the next year.

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A Denver business man wrote thus:

I believe, generally speaking, that giving to a federation is done as a matter of course and without, in most cases, any feeling of interest or sympathy for the organizations as a whole, gifts frequently being for the smallest amount that will buy immunity for the giver. I do not believe the majority of givers are interested or informed regarding the causes to which they give.

Another business man in the same city, closely in touch with the Federation, wrote:

The average business man does not subscribe intelligently or adequately either under the financial federation plan or to independent organizations. His aim ordinarily is to escape with the least possible expenditure of time and expense. Under the federation plan he regards his single subscription as an insurance against further annoyance. He is therefore permitted to escape more effectively where he has but one solicitation. If he were compelled to submit to numerous solicitations from various institutions, there would be an increased chance on the part of some institution to awaken either interest or sympathy. On the other hand, under the financial federation plan, the federation has the opportunity of employing intelligent solicitors who, at a single interview, may set forth to the subscriber an intelligent statement of the needs of all of the institutions. Theoretically, the subscriber under this method has a better opportunity of learning about the work of all the organizations of the city.

The secretary of a New Orleans organization wrote:

If the federation is properly organized and properly handled, I believe it is able to get more people interested in philanthropic work than any one organization alone can do, or a number of organizations working independently or in competition with each other.

The representative of a South Bend organization wrote:

My personal impression is that it [the Federation] has a tendency to take away from the people any personal and intimate feeling toward even their pet charities.

The following inquiries, with some variations, were put to the affiliated organizations in seven federations:

As compared with previous years, have you now as many (or more) persons interested *particularly in your organization?*

Are your former supporters more (or less) deeply interested in your work, now that you do not appeal personally or directly for their contributions?

Of the replies received from twenty-six out of the fifty-six Cleveland organizations,[1] twelve reported increased interest on the part

[1] The Cleveland inquiry read:
"Are your contributors more, or less, actively interested in your work, now that such a share of the financial, educational, and publicity work is taken over by the Federation?"

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of their contributors since the Federation was formed, or at least no decreased interest; one no change in this particular; and thirteen a decreased interest, or at least no increased interest. In the first group two organizations reported their contributors a great deal more interested; four organizations felt that the Federation's publicity was responsible for the increased interest and one ascribed it to "our direct propaganda through personal touch by our Board members and through our publications."

Of those reporting a decreased interest one explained that this was not because of the Federation, but because of the increase in "activities claiming the attention of our contributors"; seven referred to the loss of personal contact as the cause of the loss of interest; and one added that "the conscience of the majority of givers is easily satisfied; there is no special interest aroused in sending a check to the Federation. . . . Making a personal appeal to a person usually resulted in active and interested helpfulness." The Federation's assistance was, however, reported by this organization in putting its name on the list of lecture courses and in giving it publicity in newspapers. Another organization regarded it as a disadvantage that the educational and publicity work was done second hand. The Federation, it explained, "has never developed any well-worked-out and promising plan for keeping the personal touch." The opinions expressed by three organizations in this group were as follows:

> I feel very strongly about the contributors. . . . An organization loses a great deal of interest by not having the contributors directly interested in its work. I think the Federation has seen this, as it is now appointing more and more committees that work along the same lines as the individual organizations used to pursue.
>
> Almost impossible to keep the interest of people in an organization unless there is work they may do for it. The Federation does not approve of entertainments and affairs for raising money. The social affairs, and the personal touch or relation, and the enthusiasm are missing. It is like carrying a dead weight; it is just a burden.
>
> If you want to wholly destroy and stop all spirit of generosity in the minds and hearts of the friends of your organization who give for the sole purpose of helping that in which they are *interested*, and *love*—then organize a federation.

Two of the above organizations add respectively that "we greatly benefit by our share of the Federation's advertising," and are assisted "by virtue of the publicity which the Federation gives this work." Two organizations, from one of which no reply was

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received to the direct inquiry, report steps they have taken to avoid loss of interest. One of them acknowledges all Federation contributions in addition to the Federation's acknowledgment. At Easter and at Christmas, blotters or some other material regarding the organization's work are distributed, and a financial statement is sent each year to all contributors. The other organization in acknowledging contributions usually encloses some piece of printed matter describing its work.

The replies received from five Baltimore organizations, out of the 12 in the Federation, indicate a greater interest in one case and no less interest in two other cases, one of them reporting that the danger that interest may be lost is met by sending reports to persons interested and by making addresses; a fourth does not know whether the interest is greater or less; and one reports that there is less interest, adding that this is "either because we do not personally appeal to contributors or because the distance is too great between us."

Replies have been received from nine of the 21 Cincinnati organizations. Seven of these indicate in general a greater interest or more persons interested. One refers to the additional contributors received "through the advertising obtained through affiliation"; another believes that there is an interest which "never could have been obtained except through the Council's wide dissemination of facts" concerning this organization's work which "does not make a popular subscription"; a third believes that the less interest felt by a very few is more than offset by the interest of new subscribers. It refers also to the assistance received from the Federation's publicity department. Another refers to the increased number of small contributors and to the fact that it is "more widely known." Still another refers to the "wider publicity" brought to it. One of the two reporting less interest refers specifically only to "some of our contributors" as "probably less interested directly" in its work but "perhaps more interested in general social conditions." The other writes: "We have lost some of our best supporters through the discretionary fund. *Most* of those who did not contribute through the Federation contributed to us direct later on, however. We feel that in time we will be able to educate all contributors that pay through the Federation and that maintain their interest in our

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work." The organization adds that the failure of its "strongest supporters" to designate to it "somewhat impairs the closeness of" its relations with them.

According to a booklet issued by the Federation in January, 1917, the presidents of all the affiliated organizations signed a statement to the effect that "the number of people interested in our work has increased."

Of the four Dayton organizations that replied to this inquiry, out of eight in the Federation, one reports a greater interest, explaining that its work has become "better known and understood" and that though it has lost "some supporters who only answer a personal appeal," the larger contributors give as much or more than before; another is unable to state whether interest has increased or decreased, but adds that the Federation has brought its work before many more people; and two organizations report a loss of interest. One of the latter states that "there has not been the vital interest on the part of members that they formerly had." The representative of the other explains that formerly he sent notices to those who contributed to it whenever there was to be a meeting or an exhibit. He sends out notices still, but the meetings have been very small. He believes that this lack should be made up, and can be made up, by means of publicity work by the Federation.

Six replies were received from Denver out of 21 organizations in the Federation. Only two of these indicated that the interest in their organizations and information about them was not less than in their judgment it would have been apart from the Federation. Of the four other organizations one refers to the Federation's failure up to that date (the summer of 1916) to develop "any systematic earnest publicity work"; another states that in a large measure the general advertising has been lacking "that comes from having directors go about and talk to their friends about the virtues of the organization with a view to raising money"; a third refers to its organization's "loss of identity"; and a fourth to the fact that federated publicity does not offset the loss of interest.

Only two of the five organizations written to in the Elmira Federation replied to this inquiry. One reports a greater interest and the other no loss of interest.

Replies were received from the representatives of six Erie organi-

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zations out of 11 in the Federation. Three report a greater interest, one "no falling off in interest," one a decreased interest, and one who is unable to answer the question definitely reports that the Federation has presented the organization's work through "exhibits, letters, folders, and the press." In the first group one organization attributes the greater interest to the Federation's publicity work. The organization that reports a loss of interest refers particularly to the disadvantage of "not personally seeing our benefactors."

The one New Orleans organization replying to this inquiry reported that the Federation "affected to a certain extent the interest of former contributors and that this personal interest . . . is the life of a charitable institution."

Eight of the organizations in South Bend, out of 12 in the Federation, replied to the inquiry. Three of them report increased interest, one adding that its "work became better known," and another that the greater interest was because "everyone who subscribes must have our needs presented to him together with its good work." Four report the same or at least no loss of interest, one of these adding, however, that its membership is "growing slowly but steadily"; and another that while the interest of the contributors is the "danger point," so far it has not affected the organization. One organization reports "fewer interested than before."

9. The Number of Contributors. The unfederated régime is criticized by federation sponsors for its small contributing base. The Chamber of Commerce in Cleveland found that before the Federation was formed the people who were contributing $5.00 or more to the charitable organizations of the city constituted less than one per cent of the population. More or less similar figures have been reported regarding the old régime by the federations in several other cities.

Such figures as are obtainable on this point for the various federations are on page 255. Those relating to the Cleveland Federation demand attention first because of the impression prevalent that, at the beginning of that Federation, there was a very large increase in the number of contributors, and that this gain has been augmented in the later years. The impression seems to have been

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based upon statements such as the following, which appeared in the Federation's bulletin for November, 1915:

> MORE GIVERS—Organizations . . . [through their direct efforts] have secured givers new to charity, totaling 3,100. In addition, 2,400 others have joined the Federation, making the total "first time givers" due to the federated plan, 5,500.

This statement, which was made shortly after the Federation's third year, is very misleading. Most readers have probably understood from it that in the Federation's third year there were 5,500 "more givers" to the affiliated organizations than before the Federation was formed. That was not so. The paragraph does not compare the number of contributors in the third year with the number in the year before the Federation. The figure 5,500 is obtained by adding together the new contributors obtained in each of the three years, *without taking into account the losses*. That is to say, many of the new contributors obtained in the first year did not renew in the second or third years, and some of the second year's new contributors "lapsed" in the third year. More important still, the statement quoted took no account of the givers of the pre-federation days who were not giving in the third federation year. The Federation is able to furnish no figures regarding this latter loss, but from its figures a large loss was shown in its second year among the "new" federation givers enrolled in the first year. Of these new givers —who numbered 2,063, and were mostly small givers—"between 1,000 and 1,200" did not renew in the next year.[1]

It is probably chiefly because the Cleveland Federation has refused to make use of whirlwind campaigns since its initial year that the number of its own contributors remained comparatively small for so many years. Conversely the number of direct contributors, unless they have ceased to give altogether, must be considerable. Unfortunately, the Federation has no figures regarding them,[2] and

[1] A large part of this loss represents colored givers of small amounts enrolled by colored "teams" in the Federation's opening campaign. In regard to the new givers that were enrolled for the first time in the Federation's second year, or its third year, the proportion lost in later years, through failure to renew, has undoubtedly been much smaller. But the number of such new givers has also been much less, varying from 221 in the second year to 873 in the fourth. Reference is here made only to new givers enrolled by the Federation itself.

[2] It is for this reason that the figures on page 255 *seem* to show a large decrease in the Federation's first year.

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one cannot be sure, therefore, whether the total number who gave in both ways in any one of the Federation's first four years was greater or less than the number who had previously given. In October, 1916, the writer made a necessarily crude estimate of this total for 1914–15, on the basis of which the conclusion was reached that "if there has been an increase . . . it has not been a large one." This estimate and conclusion were submitted to Mr. Williams, then secretary of the Federation, who wrote in reply that he was "willing to let the statement stand" as thus put.

Shortly after the close of the Federation's fourth year, 1915–16, the Federation conducted an extensive telephone campaign, resulting in verbal pledges from over 8,000 persons. These new subscribers if added to the contributors previously recorded have undoubtedly brought the total up to a point considerably above that of the pre-federation days.

If the figures for all federations shown on page 255 are considered, the following conclusion may safely be drawn: (1) In each of the 10 cities for which figures for the preceding year are shown, with the possible exception of Cleveland, the number of contributors apparently increased in the Federation's first year; (2) the increase was large in Baltimore and very large in Cincinnati, Erie, and Oshkosh. It was estimated to be very large also in Dallas, Dayton, Richmond, South Bend, and St. Joseph.

To evaluate these gains it is necessary to know how permanent they are likely to be. The mere fact of a large increase means that a large per cent of the contributors is new,[1] and it is well recognized that new contributors are far less likely to renew their gifts than the so-called regular contributors. In this connection certain facts are to be noted because of the general feeling among financial secretaries and others that new givers who are won in whirlwind campaigns are ordinarily even more unstable than other new givers.

1. With the exception of the Richmond Federation, all the federations that show very large increases in their first years—either recorded or estimated—namely, the federations in Cincinnati, Dal-

[1] The "new" contributors in Dallas made up 80 per cent of the total; in Cincinnati 40 per cent; and in Erie 31 per cent.

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las, Dayton, Erie, Oshkosh, South Bend, and St. Joseph—obtained them through whirlwind campaigns.

2. For only three of these federations—those in Cincinnati, Dayton, and South Bend—are figures available for a second year. For the Cincinnati[1] and Dayton federations large gains are recorded in their second years, and for the South Bend Federation a small gain, but in each city they were obtained, like the initial gains, through whirlwind campaigns. It is generally agreed among financial workers that such campaigns are not expedient as regular annual events,[2] and it remains to be seen, therefore, whether the gains reported can be held when the permanent financial procedure has become established in these cities.

3. In the two other federations for which later year figures are available—those in Cleveland and Denver—the increases[3] were small except in the third year shown for the Denver Federation, which is the only year in which either of these federations has had a highly organized whirlwind campaign.[4]

4. Federation officials recognize that new contributors tend far more than others to give their money without designation.[5] In the view of certain workers this is an element that increases their instability.

This phase of the subject cannot be left without reference to the two following criticisms of the old régime made by the Committee of the Chamber of Commerce in Cleveland and frequently repeated since then.

It was stated that during the two and a half years that were studied before the Federation was formed, the total number of

[1] The very large increase due to the campaign in the current year has been referred to on page 42, footnote 1.

[2] See page 87.

[3] In its second year the Cleveland Federation showed a slight decrease in the number of contributors.

[4] The Denver Federation has conducted campaigns each year, but they have not been of the highly organized professional type until the year 1915–16. The 1915–16 campaign cost $4,180, which was over four times the cost of the two campaigns that preceded it. The Cleveland Federation had a campaign in its first year, but it clearly lacked the drag-net features common to most whirlwind campaigns. It brought but 2,067 new contributors, whereas the telephone campaign in 1916 brought over 8,000 new subscribers.

[5] Only 445 of the Erie Federation's 2,910 new givers designated any of their subscriptions.

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contributors decreased by 6 per cent—from 5,733 persons giving to 61 organizations, to 5,386 persons giving to 73 organizations.[1]

It was further stated that before the Federation an undue proportion of the burden was borne by a few—7.7 per cent of the donors of $5.00 and over giving 78.5 per cent of the total. A similar analysis in Cincinnati showed that 12 per cent of the contributors were responsible for 76 per cent of the gifts. The proportions shown in Erie were similar. The Cleveland Committee stated that this overburdening of large contributors grew worse during the two and one-half years studied, and that the situation was "a symptom of the difficulty that is certain to underlie the competitive method of canvassing for funds" in which "each institution carries its troubles to the offices of the few big givers."

There is evidence, however, from figures of a somewhat different character, that in Erie at least the movement that the Cleveland Committee noted and deprecated has continued under the Federation. From figures shown on page 269, it appears that in that federation's first year the large givers increased their gifts by 143.5 per cent, the "medium givers" by 111.2 per cent, and the small givers by but 19.0 per cent. These relative rates of increase necessarily changed the relative proportions given, so that the large givers gave a larger proportion than in the unfederated year, and the small givers a smaller proportion. In Cleveland at the close of at least two of the federated years appeals have been made to certain of the large givers for extra contributions in order to raise the amount needed for the year. Such steps are, of course, in exactly the direction criticized by the Cleveland Committee.

[1] The committee states that if the increased number of contributors to the Federated Jewish Charities are excluded because they were then operating on the federation plan, the decrease in the number of non-Jewish contributors was 11 per cent.

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CHAPTER IX

THE FEDERATIONS' SOCIAL WORK

THE social work undertaken by federations has been limited almost entirely to those having social workers of experience as their executives or on their staffs, *i. e.*, the federations in Cleveland, Baltimore, Cincinnati, Erie, and recently Denver. It includes, first, definite efforts at social education, as described in the preceding chapter; second, planning and carrying out of general community programs; and third, the raising of the organizations' own standards of work. On all of these sides the unfederated régime has been criticized by federation sponsors.

1. Community Work. Regarding community work Mr. Williams writes: "A federation is the only way whereby the co-operation of givers in particular, and a community in general, can be secured for the prevention of these (social) needs."

The scope of such work is referred to by the Baltimore Federation as follows:

> To study carefully all that each agency knows about poverty and its causes, then to combine all proper forces in constructive measures so as to reduce the amount of suffering by attacking the causes—this . . . is work which can never be effectively accomplished except by such co-operation as the Alliance offers.

The director of the Baltimore Federation writes as follows regarding an interesting development of the federation plan on this side of its work:

> A federation offers a channel through which enterprises initiated by one agency may come to have the understanding and support of many agencies. In unfederated communities a society may have plans which it would like to put forward, except for the fear of seeming to step into the field occupied by some other society, or of appearing to work for its own aggrandizement. Where there is a federation such plans can be advanced through the federation office and as a federation matter. Repeatedly, both in Cleveland and in Baltimore, I have seen results accomplished because of this that could not otherwise have been brought about so satisfactorily and so speedily.

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By contrast with the situation in their cities certain federation officials allege that unfederated organizations see only the little fields that each is interested in, and that the city-wide problems are neglected—problems, for example, that demand legislative or administrative changes, or call for the creation of some new form of social activity in the city. The considerable accomplishments in this line, in certain federated cities, are described in the next chapter. They have been important in varying degrees in Cleveland, Cincinnati, Erie, and Baltimore, and negligible elsewhere, so far as reported.

Those who doubt the wisdom of the federation plan recognize these accomplishments, but point out: (1) that similar though probably slower progress has been made in unfederated cities through the informal co-operation of social organizations, and particularly through loose alliances of such organizations into central councils; (2) that even if more rapid progress in these lines is obtained under the federated plan, it is at what the critics regard as too great a price;[1] and (3) that the tendency is for federations to neglect such work altogether.

It is, of course, true that constructive community programs have not been lacking in unfederated cities. Attention is called by representatives of such movements in these cities to the housing, child labor, tuberculosis, juvenile court, and recreation developments in many unfederated cities undertaken co-operatively in most cases by the various local organizations, stimulation and assistance being sometimes, but by no means always, given by national organizations in the various fields—movements which have frequently resulted in the formation of special local associations to further the reforms thus initiated. Those who still stand by the unfederated régime believe that the sum total of such community movements is considerable, comparing most favorably at every point except possibly in the matter of speed of accomplishment with what is recorded in this line as resulting from federated effort.

A natural reason why work of this sort has frequently been neglected by federations is the cost it involves. Thus an Erie correspondent writes:

[1] Reference is made to the alleged disadvantages (referred to on pages 167 to 176) which the critics fear are inseparable from the federation plan.

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The Federation appears to me to be somewhat handicapped in establishing new agencies if they are needed. Its first effort must, of course, be to raise the required budget for the agencies already in the Federation. . . . It hesitates to incorporate a new enterprise at the beginning of the year because it does not wish to assume a larger responsibility when it cannot be sure of meeting present necessities.

Mr. Norton, on behalf of the Cincinnati Federation, denies that this is so. He writes:

The Council has not hesitated to encourage new enterprises when convinced of their need and usefulness. It has been more exacting in finding out whether any duplications of existing work would be created, and whether the group undertaking the new activities were really capable of swinging them. In the last year the Council joined definitely in working to get the National Social Unit to come to Cincinnati, and in securing Cincinnati contributions for that enterprise. The Housing Association, started within a year, received the approval of the Council, because housing reform was very badly needed. A new bureau with a paid secretary for the development of work among the colored people was added to the Council's activities.

It is further alleged by the critics that when a federation attempts an important amount of community work, as in Cleveland, it subjects itself to criticism, such as was met with in Cleveland early in 1916, to the effect that proportionally too much time had been spent by the Federation on a large number of community organization projects, to the inevitable neglect of intensive financial effort.[1]

2. Standardization. Federation sponsors have been more specific in their criticism of the unfederated régime for its alleged failure to grapple successfully with the problems presented by the standards of work of certain at least of the organizations in each city. In an article in the *Survey* for September 9, 1916, which should be read in full by any one making a study of the question, Mr. Norton writes as follows:

Duplication in family work has been an open sore since the beginning of philanthropy in spite of efforts to control it. . . . With such a tangle of duplicating lines is it any wonder that standards of work in every field of social endeavor range all the way from very good to very poor, with a too frequent emphasis on the poor?

[1] For qualifications that certain of these critics have recently made to this statement see page 30. One of them has stated recently that this criticism did not indicate their failure to appreciate the importance of giving attention to social work; it referred rather to the way in which, in many cases, the work undertaken by the Federation was done, and to the fact that the very number of the undertakings made it impossible for anything worth while to be accomplished, and finally that such work was assumed by those to whom had been definitely assigned a financial responsibility.

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As to the administrative changes federations are likely to cause, Mr. Norton writes:

Let us reassure ourselves once more over the needed administrative reorganization. There should be a gradual pooling of, not a surrender of, common functions, such as collections of contributions, accounting, buying, direction of educational publicity, the collection, analysis and interpretation of statistics, the keeping of records and the planning of new work. There should be a better segregation of the duties of separate agencies which would lead eventually to some consolidations. And we should not be afraid to face them. There should be a reorganization of field work based upon a segregation of function and a districting of the city. And in all this there need be no surrender of freedom of the individuality of organizations that survive the consolidating process, or of control of policies or methods by denominational and national bodies over their branches.

Mr. Edlund has expressed somewhat similar views as follows:

The idea of a federation implies a considerable degree of centralization in the social work of a community, and while in the long run I believe this to be not only desirable but necessary, it does involve many complicated problems, and in my judgment ought not to be entered upon without most careful preparation and without assurance that the agencies which enter into any such agreement are willing to co-operate to the full, even to the extent, if necessary, of going out of existence, in case of duplication of work or in case the work can be better carried on in some other way.

Because it has become necessary in each federated city to make a total budget for the affiliated organizations, the federations have usually made efforts to improve the bookkeeping methods in use. As one means for raising the standards of case-working organizations, confidential exchanges have been started by three federations and three federations have taken steps to reduce the expenses of certain federated institutions through co-operative purchasing. The Cleveland Federation, for a few months in its fourth year, employed R. C. Edlund to give particular attention to standardization, as secretary of its Committee on Methods and Co-operation. The purpose of this committee was "to study the constituent agencies, co-operating with them to develop standards and correlation of activities."

3. Objections to Federated Standardization. The objections that critics have made to federated standardization are: (1) that only admitted organizations can be standardized; (2) that the difficulties of standardization are very great when the element of com-

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pulsion is present, even if only in the background, and the after-effects often socially unfortunate; (3) that for this reason, and also because of its expense, standardization tends to be neglected; (4) that the mere fact of federation with the approval it gives to its entire membership—including those yet to be standardized, or eliminated—tends to crystallize the *status quo* and retard progress; (5) that in many cities, even where no kind of union of social agencies exists, standards have been steadily raised, especially the standards of case-working societies; (6) that a few charities endorsement committees, connected with commercial organizations, have wielded a considerable influence in this direction; and (7) that central councils or similar non-financial federations offer a safer though slower route to the end desired, and also one more in accord with American instincts and institutions. These points will be considered in the paragraphs that follow.

It would seem that organizations outside of a federation are only indirectly affected, if at all, by its efforts to raise standards. To some extent exception to this statement needs to be made for the Cincinnati situation, and for that in Cleveland since last December. The Council of Social Agencies in Cincinnati includes practically all of the social agencies of the city, but it collects funds for only 21 of them, including itself. It has an employed staff of considerable size and a prestige which must strengthen its influence even with the agencies for which it collects no funds. But this, it has been claimed, is exclusively a moral influence of the type referred to in a later paragraph[1] as the backbone of the non-financial federations existing now in a number of cities. Mr. Norton denies that this is so. He writes that the Council could now just as easily establish standards for a non-budgeting organization as it could for the others; it has only gained this influence, however, because of its success as a financial institution.

Organizations are excluded from a federation either because they need no general contributions, or because it cannot afford to admit them, or because it refuses to admit them on account of their low standards.[2] But in all such cases it is at least theoretically possible

[1] See page 209.

[2] Reference has already been made, page 85, to the organizations refused admission on account of their standards.

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that the federation could improve the standards if the organizations were included among its members.

In reply to the second objection federation officials assert that in their standardization they do not rely upon force in any way. Mr. Williams states that the aims of the Cleveland Federation are accomplished rather through the "lure of the undesignated fund." It is not easy to see the distinction between these two methods. In the following paragraph Mr. Norton indicates his belief that something more than moral suasion is necessary if important results in the line of standardization are to be accomplished:

> The planning of social service standards is very easy. To get them established is very hard. To maintain them is harder yet. . . . There must, therefore, be some element of strong influence over administration else the time spent in establishing standards is wasted . . . . These considerations drove us into the central collecting plan.

But this "strong influence," Mr. Norton explains, is not an outside influence but rather an "intelligent co-operative control which, because it is guided by the self-interest of the co-operators, will make for higher and higher standards unconsciously. Each organization is a unit in a company that is working together. Each one, being anxious for the success of the whole because each one's success is dependent on that, becomes jealous of those who slow down in the general progress."

The critics hold that federations cannot help being conscious of the advantage which their control of budgets and of the undesignated fund[1] gives, and that there is a tendency therefore toward reliance on that advantage, with unfortunate effects upon the methods used. It is a fact that efforts at standardization have met with difficulties in almost every city in which they have been attempted. In four cities—Cleveland, Erie, Denver, and Richmond, Ind.—there have been withdrawals, caused, in part, and in some cases chiefly, by resentment at the requirements laid down by the federations regarding the method and scope of the organization's work. Two of these organizations were local branches of the Volunteers of America, two were women's clubs doing social work, and

[1] For the relation of standardization to appropriations by the Cleveland Federation from the undesignated fund see page 107.

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in one city, Denver, a group of Catholic organizations has withdrawn.[1]

Except in Denver the criticism referred to above seems to have been but little justified. That is to say, the standardization methods followed were not apparently affected much by the fact that the federations held the purse strings. A Denver correspondent, however, refers in this connection to "the painful lack of tact in the way the Federation has imposed the demands." Another writes:

> There has been an attempt . . . to dogmatically whip institutions into line, and orders have been issued . . . in the same tenor as a general in the army would command a company to about-face.

This writer adds that there was an "attempt to dominate the organization with the business efficiency idea in dealing with sick, suffering and erring humanity."

Another Denver correspondent refers to the "wish to standardize and record and file matter that to us is irrelevant and troublesome," and to the "apparent desire to change our homespun methods for styles made in New York and carrying universal handles, as they say of carpenters' tools." It is evident that methods such as those referred to in the first quotation create an attitude of mind on the part of an organization toward the Federation that makes progress difficult.

From three federations reports have come of a development which seems to be based on the belief that standard raising through the federation is more agreeable than by the older and slower methods. An affiliated organization in one of the federations writes:

> Where standards were not satisfactory in any particular agency, it was much simpler for another agency who felt the deficiency to go to the Federation and have the Federation take the matter up, than it would have been for any one agency to have approached another directly.

A species of standardizing is attempted whenever a federation refuses to approve the budget submitted by an organization. In some federations these budgets are scrutinized most carefully. Even in Cleveland, where the Federation until recently has not tried to exercise much budgetary control, a number of organiza-

[1] These organizations have recently rejoined the Federation.

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tions have reported that the Federation did not approve the amounts they had submitted. Another phase of the subject is touched upon by Miss Blanche Geary, of the National Board of the Young Women's Christian Association. In advising against affiliation by such associations with financial federations, she writes as follows:

> Can we afford to accept as judges of our efficiency in the matter of expenditure, organization and co-operation, a body of representatives, some of whom may be completely ignorant of our aims, others in direct opposition to them by inheritance and training, and others conceivably thinking of us as one of several overlapping organizations?

Standardization is necessarily an expensive process. The Denver Survey, on the basis of which an attempt was made to raise standards in that Federation, cost $2,613. In Cleveland, after Mr. Edlund's resignation in May, 1916, to become director of the Baltimore Federation, the question was much discussed whether the Federation should continue the experiment of employing a man for this particular line of work. "Many of the organizations," according to an official of the Federation, "objected to spending money for . . . expert work in this position, saying that the Federation's first job was to raise the money the organizations needed." This view seems to have been the controlling one, for up to date no successor to Mr. Edlund has been appointed.[1]

In 1916, Mr. Williams, writing regarding the plans that had previously been made for the central purchase of supplies—an economy which is in effect a raising of business standards—stated that "progress has not been made in this connection lately due to difficulties in securing additional force." Similarly an affiliated organization in another federation wrote early in 1916:

> At the beginning it was some job to finance the organizations and it kept the Federation pretty busy. We have now gotten to the point where we can take up standardization.[2] I believe that a live federation which has strength enough to raise its money and get through with it, or which has separate departments, one dealing with finance and the other with social organization, can do a lot in the way of standardization along the lines planned here.

The secretary of an affiliated organization in still another federa-

[1] Standardization work has not been discontinued. It has merely been more restricted. See page 210 ff.

[2] The writer gives an illustration of the steps that are now being taken.

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tion, who, as shown in the footnote below,[1] recognizes that there have been some real accomplishments in this line in his city, writes as follows:

> The other side of this work, however, in raising standards of work and of co-operation among the different agencies, is of great importance, and when the financial problems have been satisfactorily solved, this side will undoubtedly take first place. Not a great deal of attention has been given to this part of the work, as it was felt that the Federation must establish itself along financial lines before attempting to interfere to any extent with the management of the constituent agencies.

It is partly because of the expense of standardization and partly because of its inherent difficulties that achievements in this line have not been as important as they were apparently expected to be.

The fourth criticism of federations in this connection is made by Francis H. McLean. It is that in their public announcement of budgets, and in other ways, they set the seal of their approval upon activities which they may feel should ultimately be greatly restricted or even eliminated (p. 58).

Mr. Norton denies that there need be any such difficulty as this if tact is used by a federation, and if changes are not pushed too fast. He feels also that it is no harder for a federation to change a *status quo* that has been publicly accepted as a result of its approval than it is to change one that has been silently tolerated in an unfederated city.

4. Unfederated Standardization. The fifth contention made above concerns standard raising in unfederated cities. It is pointed out that no one can claim that the existing standards in these cities are generally lower than those in the federated cities, yet their standards have been obtained without federated assistance. Wherever strong case-working agencies exist, their influence on the standards of other case-working agencies in the same city has been marked and continuous. In this connection it may be noted that the man who was most active in the formation of the Cleveland Federation, the late Marcus A. Marks, as quoted on page 59, crit-

[1] This correspondent adds: "Nevertheless some very important movements have been introduced as a result of the Federation, and particularly a different attitude of one agency toward another has come about to a very noticeable degree. We have grown better acquainted, our feeling of rivalry has almost disappeared and the way has been paved for a co-ordination and solidity which I am sure would have been impossible without some such unifying agency as the Federation."

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icized the pre-federation régime—not for failure in social co-operation but for failure on the side of financial co-operation.

It is pointed out also that in at least three cities—Chicago, Minneapolis, and Youngstown—standard raising is very definitely assumed by the endorsement committees of the local commercial organizations. In Chicago and Minneapolis workers who have had experience in social work are employed as executives, and in Youngstown a survey of the various organizations was made for the committee by an outside worker who had conducted a number of such surveys previously. The committee's work has been based on the findings of this survey. From all of these cities progress is reported. Those, however, who criticize federated standardization because of its alleged reliance upon at least the shadow of the big stick, criticize the work of endorsement committees on the same score.

The final and most important objection made to federated standardization is that it is unnecessary, since all that it aims to do is being striven for, with better chance of permanent success, through strictly social federations. These federations, usually called "central councils," are loose alliances of the more important social agencies of a city. The Cincinnati and (present) Cleveland federations are central councils which have also assumed financial responsibility for a part of their member organizations. Mr. McLean has discussed the subject fully in the *Survey* for June 2, 1917, and the student of the subject should read this article in comparison with that by Mr. Norton, previously referred to. For the sake of comparison with the social accomplishments of federations, some facts regarding the strictly social central councils have been assembled and are summarized on page 273.

Outside of St. Louis and Milwaukee central councils have attempted standardization only in an informal way or not at all. In St. Louis more comprehensive efforts in this direction have been made through the council than have been reported by any of the federations. For details the reader is referred to a paper by C. M. Hubbard in the Proceedings of the National Conference of Charities and Correction for 1916, page 326. As part of the Council's program Francis H. McLean was employed for six weeks, in 1916, to make a study and report on the standards of work of the various organizations.

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Those who prefer standardization of this sort argue that its results tend to be more stable because based on a gradually developed appreciation of, and a desire for, the changes that are needed; and particularly that just because its advocates have no power in their hands their methods, in comparison with those used by federations, tend to be more tactful and thus to keep the good will of those concerned. They are less likely to neglect to get the "understanding" referred to in the following statement from a Denver correspondent, before trying to bring about the changes desired: "So much depends upon the complete understanding of the groups working together. I mean especially as regards modern methods."

Mr. Norton is firmly convinced, however, that councils cannot be relied upon in this matter. He refers to them as "hollow organizations to which control has been denied." His opinion receives special weight from the fact that he was director of the Cincinnati Council for two years while there was no financial bond uniting the organizations, the expenses of the staff and office being covered by funds arranged for without public appeal. It was because of his conviction that the Council had not the standing with the affiliated organizations and in the community that was necessary for effective work that he urged that central collection of funds be undertaken.

A further objection made by federationists to central councils that undertake no financial responsibilities is the fact that so far they have not obtained sufficient funds for the support of what is regarded as an adequate staff. Appreciation of this was one of the reasons that led the Cincinnati Council to adopt the central collection of funds. Supporters of the strictly social central councils point out that funds are gradually increasing for the support of such work. The Milwaukee Council has had a secretary employed on half time for several years, and recently has employed one on full time. The Chicago Council is now in search of a secretary to be employed on full time, and the St. Louis Council has recently obtained the services, for half of his time, of the secretary of the charities endorsement committee.

On page 62 two federation secretaries and a representative of a Cleveland organization are quoted, recommending the establishment of social federation before financial federation is undertaken.

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CHAPTER X

THE FEDERATIONS' SOCIAL WORK (Continued)

1. Cleveland. The social work of the Cleveland Federation has been extensive. Its distinctly community tasks, as contrasted with the raising of standards, have usually been undertaken by other agencies, public or private, brought into existence through its help, or stimulated by it to carry on certain new forms of work. These are briefly as follows:

1. The Cleveland Welfare Council was formed largely as a result of suggestions from the Federation in co-operation with other agencies. It combines all welfare agencies, public or private, educational, philanthropic, or civic, and acts as a clearing house for community activities.[1] The following has been accomplished in co-operation with other organizations—a survey of cripples and an outdoor relief survey; the appointment of an unemployment commission and committees on crime prevention and feeblemindedness, and the establishment of the community Christmas celebration. It has also protested against unsocial legislation, and has "helped to a community program on child hygiene and other health matters."

2. Co-operation was obtained with the Department of Public Welfare of the city and with the Mayor in city-wide welfare work; with the Federated Churches and Catholic Diocese in the establishment of an annual Social Service Sunday; with the Western Reserve University in the plan for a school of applied social sciences; with the Public Library in free lectures, etc.; and with the public schools, which have used the Federation's Social Year Book in civics classes in the high school, etc.

3. In March, 1916, a Committee's bird's-eye report on "the city's needs, met and unmet," covering dependency, health, delinquency and industry, was approved by the trustees and its findings have been used by the Federation and by the Hospital and Welfare Councils.

4. The Federation regards its educational method of collecting funds as a contribution to social progress, supplanting former methods of money-raising which, in its opinion, had crippled the organizations in the performance of their social responsibilities.

The Federation's activities in the line of standardization make an even larger list. For reasons referred to above, no definite statements can be made regarding the particular organizations that have been benefited by this work, or regarding the exact character of the

[1] In December, 1916, it was amalgamated with the Cleveland Federation itself.

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methods used. The best results have probably been obtained from "group standardization," effected through a series of co-operative conferences included in the following list:

1. A conference on illegitimacy was organized because of the great variety in standards, practices, records and equipment among organizations that dealt with the unmarried mother. Its aim is "closer personal relations, better records and follow-up work, etc." It includes representatives of five societies and of certain hospitals, courts, etc. The Federation has furnished meeting-place, stenographic help, and stationery. It has paid postage and printing costs, and its assistant secretary was for two years secretary of the conference. In July, 1916, the conference published an eighteen-page report with recommendations. Mr. Williams regards this conference as the Federation's most important accomplishment in the line of standardization.[1] The following results are reported:

a. Six organizations have agreed to make reports on the Federal Children's Bureau forms; "the conference furnished a considerable part of the material from which the Federal Bureau's blank was compiled."

b. One home has adopted modern report forms recommended by the conference.

c. One home has started a "big sister" movement as a follow-up of inmates after they leave the home.

d. Other homes are to have tests of mentality made.

e. Another has for the first time adopted a policy of keeping the mother and child together when possible; has had mental and Wassermann tests made; and is about to install a follow-up worker.

2. A conference on buying was organized in which all organizations in the Federation which purchased coal or groceries united in using voluntary contracts, whereby coal and a number of other staple articles are offered at specified prices to all organizations.

3. A conference on working girls' homes has "secured closer co-operation in meeting the city's need, and has led to a sub-committee on operation and management"; it has been "instrumental in getting the new registry of such homes under way."

4. A conference on the handicapped "led to a survey of cripples as the basis of future plans."

5. The Hospital Council, composed of representatives of seventeen leading hospitals "now working together to meet the city's needs and to improve earnings, accounting, co-operation, etc.," is a "direct result of the Federation's activities." It was formed because the Federation "found such great diversity . . . in methods of accounting, record keeping, standards of care, charges for rooms, etc." At the start the Federation "handled all secretarial and other details," but the Council now employs its own trained secretary and has become one of the Federation's affiliated organizations. It reports that agreement has been reached to publish uniform figures regarding days of free treatment, part pay and pay patients, etc.

[1] This statement should be compared with the one in Appendix IV, p. 281, describing the conference on illegitimacy organized in Boston, an unfederated city in which there is not even a central council.

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The hospitals have also agreed not to rent private rooms at a loss,[1] and not to rent beds at a loss for cases for which industrial or other corporations are morally or legally responsible.

6. Free expert advice in connection with the dietary arrangements of organizations has been furnished by the Department of Home Economics of Western Reserve University.

7. A conference on settlements has discussed the future settlement program.

8. The outdoor relief survey, conducted by the Cleveland Foundation, "was made possible by the co-operation of the Welfare Council." Its report, issued in 1915, recommended changes in relief giving by certain agencies in the Federation and others outside of it. The Federation has made no report, so far as the Committee is informed, as to the extent to which these recommendations have been carried out.

9. "The Federation's advisory committee, composed of two representatives from each affiliated organization, meets each month and "secures greater efficiency through discussion of methods and greater knowledge of each other's benevolent activities." It makes recommendations to the Federation's trustees.

10. The "group committee," the executive body of the advisory committee, consisting of twelve executives representing different groups of organizations, meets each week and plans "for a concerted program of operation, publicity and finance."

11. The accounting methods of all organizations have been studied, except those of a very small number of organizations which have not accepted the offer of assistance. "Organizations whose accounts are not believed to be satisfactorily kept are not given money from the discretionary funds."

12. The heating equipment of all institutions but one has been examined gratis "by expert engineers, with careful report and recommendations to each."

13. Analyses of expenditures have been made by the Federation for all hospitals, orphanages, and fresh air camps, and a report given to each showing how its expenditures compare with the average for heat and light, administration, etc.

14. The confidential exchange is not conducted by the Federation but by the Associated Charities. That organization reports, however, that the Federation has exerted its influence to promote the use of the exchange by the affiliated organizations.

15. The work of the Associated Charities has been improved as a result of an investigation by an efficiency organization, made necessary to justify large appropriations from the undesignated fund.

Only one instance has been recorded of exclusion from the Federation on the ground of standards of work. The organization referred to was duplicating the work of another already in the Federation, and presumably not doing it so well, in the judgment of the trustees.

A large amount of testimony has been received on this phase of

[1] Several hospitals have raised private room rates, "thereby removing a tax upon Cleveland's charitable funds aggregating over $15,000 annually."

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the subject. The treasurer of the federation, referring to the raising of standards, the elimination of duplication, etc., writes: "It is along some such lines as these that I think our Federation has been most successful, and is justifying its continuance." One of the trustees writes:

The tendency . . . has been to make social work better and broader. . . . This beneficial tendency has scarcely more than begun. . . . A conscious and conscientious effort has been made by Federation officials to raise standards, to exclude low-standard organizations from membership, and to bring pressure to bear upon low-standard organizations in the community. Some criticism . . . has been instigated by this policy. . . . There has not yet been a case, I think, where the Federation has suppressed or checked a needed movement, but I have noticed a tendency toward ultra conservatism in this regard, which has given me some apprehension. There is a real danger here, without doubt, and we shall have to be on our guard against it.

In order to obtain an expression of opinion regarding the accomplishments of the various federations that have attempted social work, a letter was sent in the summer of 1916 to several social workers in Cleveland, Cincinnati, Erie, and Baltimore, and also to certain citizens[1] in a position to observe the trend of affairs. The letter asked the following questions:

Has there been a more rapid increase under the Federation than was true before it was formed, in the public's understanding of, interest in, and feeling of responsibility for, the city's social needs?

Has the extent and effectiveness of co-operation between the affiliated organizations increased under the Federation more rapidly than it was increasing, if that was so, before the Federation was formed?

No replies were received from the four representative citizens of Cleveland addressed. The three Cleveland social workers who replied wrote as follows:

There has been a distinct help in the co-operation and co-ordination of the social work in the city.

The tendency of the Federation has been to increase the interest in and responsibility for the city's social needs. . . . It is difficult to say whether the increase is more rapid than before the Federation. The increase in co-operation in community work has been clear and definite. For example, the Federation was the dominant force in making possible a reorganization of the Children's Fresh Air Camp along what we conceive to be the best lines. . . . The Federation was the only organization which could have brought together the various foreign inter-

[1] In each city to the superintendent of schools, the city librarian, and two editors of daily papers.

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ests in a recent very complicated situation affecting day nurseries. . . . Other adjustments of a similar sort have been effected. Moreover, every new charity is anxious for the support of the Federation. This affords an opportunity to learn of their purposes and methods and to bring together in substantially every instance the various interests in an attitude of helpfulness which naturally results in wise solutions of the problems. This work is of special value. . . . The Federation never was so useful as now, either financially, or in the importance of its efforts to promote team work.

The Federation has not been able to accomplish the community understanding and co-operation that it has struggled to attain. . . . I do not think at the present time that your questions can be answered in the affirmative, but I want to say that the Federation has tried to do the very things your organization indicates, and it is making a mighty hard fight to succeed. . . . The movements sometimes referred to as due to the Federation would probably—many, if not all of them—have been put through even if there had been no federation.

The following inquiry was used in an effort to learn to what extent the Cleveland organizations felt that they had been benefited by the Federation's efforts in the line of standard raising:

Of what assistance has the Federation been to you outside of money raising? For example, to what extent, if any, has the Federation helped you in your business methods or in other forms of your work?

It is clear from some of the replies received that certain organizations did not consider the last five words of the inquiry, the "other forms of your work," and that their answers refer only to assistance in business and bookkeeping methods. Replies were received from 35 of the 56 organizations. Twenty-two report that non-financial assistance of some sort has been received, and 12 report no such assistance.

Eight of the 22 organizations that reported non-financial assistance refer to the benefits of closer co-operation, all but two referring only to this, the first mentioning also the prevention of overlapping and the bringing "to the front that which is best in each organization," and the other mentioning the Federation's stimulation of its "general business instinct and efforts." Other forms of assistance received are "some good suggestions" (two organizations), help to keep more careful records (one organization), more uniform bookkeeping (two organizations), a beneficial supervision (one organization), help in the purchasing line (three organizations), help in accounting methods (four organizations), help in general business methods (five organizations). One refers to the larger vision of

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the work and the best way to do it, and another to the general good-will and interest of the Federation's staff. Another writes that its own standards of work have not been benefited though it believes others have been; another that it has not depended on the Federation in any appreciable way for advice; and another that in business matters more work has been given to it, federation reports and meetings being mentioned. One reports assistance only in publicity.

In the group of organizations that reported no assistance one refers on the contrary to the "burden of reports the Federation has exacted of our unsalaried officers, which we hope in time will be lessened." Five in reporting no assistance refer in two cases to "business administration," and in three cases to bookkeeping methods, and seem to have only such assistance in mind.

2. Baltimore. The Baltimore Federation has a state-wide charter and one of its most important social activities has concerned the counties of Maryland, outside of Baltimore. In most of these counties not a single social worker is employed. In order to organize them effectively to meet their social needs, the former secretary of the Board of State Aid and Charities, William H. Davenport, is employed by the Federation, through funds it has specially raised. He has made a brief survey of all social agencies in the state. "His principal piece of constructive work," the director of the Federation writes, "has been to bring about the establishment in Prince George's County of a Social Service Association, which is carrying on case work and other social activities under the paid, full-time leadership of a former district secretary of the Federated Charities of Baltimore."

The Federation used its influence effectively in connection with the appointments, authorized under the new compulsory education law, of one attendance officer for each county, thus helping to rescue them very largely from politics. In co-operation with Johns Hopkins University it has offered a training course and the enrollment included students representing more than half of the counties. Some of these students were applicants for appointment to the positions referred to, and to positions as county probation officers, also recently authorized by law.

Through the Federation's efforts all of the twelve affiliated organizations and a few others are now housed together in a Federa-

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tion building. They occupy about twice as much space as previously at a slightly less cost. The Federation writes: "McCoy Hall gives our agencies a dignity in the eyes of the community; it is the visible expression of the co-operative ideals which lie behind the Alliance. It is also a center of social education and its rooms for committee meetings, lectures, and discussions are coming to have wider and wider use."

At the request of the Federation the Bureau of State and Municipal Research undertook a study of the district lines of all the charitable agencies in Baltimore that work on the district basis. This study, which covered also the distribution of population by census districts and the number of cases cared for by certain agencies, was published by the Bureau in January, 1917. In 1916, the Federation obtained an appropriation of $5,000 from the city for a comprehensive statistical study of the case-working societies to be made by the same Bureau. This study, the director of the Federation writes, "is, so far as we know, the most important statistical study ever attempted of a large number of case records from a representative group of community-wide case-working and nursing organizations." It covers the year 1916 and will comprise many thousand records. The information, after it is recorded on uniform cards is carefully checked up, often by personal conference with the visitor or nurse concerned. This material can be used in connection with the population statistics by enumeration districts already worked out. Though this study is in the hands of the Bureau of State and Municipal Research an advisory committee has been appointed by the Federation. "It seems altogether likely," the director of the Federation writes, "that the study will enable the case-working agencies concerned to deal more constructively with their problems, and to undertake preventive programs with more knowledge as to the underlying conditions."

The Federation has also devoted much attention to the training of workers. It is expected that co-operative arrangements with certain educational institutions will soon be announced for the establishment of training courses of collegiate grade. Among the subjects discussed by the Federation's Board of Representatives and from which action has resulted, are changes in district lines, steps toward uniformity of face cards and co-operative publicity

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and educational work. Assistance to the affiliated agencies has been given through studies made by certified public accountants of their books. Plans are being made to centralize the accounts of some or all of the affiliated agencies in the central office. Co-operative purchasing of supplies and central multigraphing and typing are also being considered. Harrington Emerson, a well-known efficiency expert, is now engaged in studying the organization of the Federation and the relation of one part of the work to the others. The director of the Federation writes:

Progress has been made, in a number of instances, in eliminating duplication and in bringing about better co-operation between societies whose fields of effort cross. . . . Increased budgets have made possible better work by nearly every constituent society. There have been increased salary schedules in a number of the societies.

Two social organizations replied as follows to the inquiry quoted on page 213 above:

The Alliance has promoted a better public understanding of social needs and social responsibilities. . . . The extent and effectiveness of co-operation between the affiliated organizations was considerably furthered.

It is too soon to form a correct judgment. Before the Alliance was proposed we were making steady and definite progress in enlisting public interest and responsibility, based on a growing understanding of social work. Whether the Alliance has merely reaped the benefit of what had been done, or accelerated the general progress, I scarcely know. I am inclined to think that it has helped. There was such unusual co-operation on the part of social agencies prior to the Alliance that in that matter also it is difficult to form an intelligent judgment. Of course the effect of gathering around the table with representatives of other organizations is to strengthen the feeling of co-operation. . . . Possibly there has been gain in that some unnecessary expansions of individual agencies have been forestalled. . . . There has been some gain in standardizing the work of certain agencies. . . . I can also see some slight improvement by way of confidence and co-operation on the part of certain other agencies.

Answers to the Committee's general inquiries have been received from six of the twelve organizations. Two refer only to improved co-operation, and one only to help in business methods; the fourth instances co-operation and business methods and the fifth business methods and standards of work, explaining that the latter have been "held up." The one remaining organization reports that the Federation has required some changes in its methods, but it is not sure that they are improvements.

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3. Cincinnati. The social accomplishments of the Cincinnati Federation have been important. On the side of community work they have been stated by the director of the Federation as follows:

The Council of Social Agencies, since taking on the central collection of funds, has had a permanent committee on city planning which co-operates with similar committees from other organizations. It also has a permanent committee on social insurance. . . . We were instrumental, through the co-operation of other groups, in placing at the disposal of the state forces planning such legislation records of a very strong sentiment in our city in favor of it, as a result of which a commission was authorized to study the subject. We are now bringing pressure upon the State Department to select men with a social vision on this commission. The Council recently initiated a movement for recommendations to the charter commission as to the scope of the Department of Public Welfare. The President of the Council has been appointed by the Mayor as chairman of the social service committee of the Cincinnati Council of Defense. . . . Our executive committee has authorized a city-wide survey of the negro problem. The executive for this work has been selected, a colored man recently graduated from Yale University. Our organization has co-operated with the Better Housing League which has worked partly under our direction, and which is now engaged in securing an increased appropriation from the city for the Housing Department.

The former director of the Federation supplements this statement as follows:

The Council of Social Agencies secured a Mayor's commission on unemployment and was influential in the direction of that work; had a heavy responsibility in the efforts that secured the National Social Unit experiment for Cincinnati; conceived and secured the legislation that created the Court of Domestic Relations; and took a prominent part in the election of a competent judge thereto; aided the court in the creation of a record system; helped organize the Ohio Institute for Public Efficiency; and associated itself with labor forces of the state in working for old age pensions in Ohio.

In the line of standardization the Federation reports that an accountant is employed to assist the allied organizations to improve their bookkeeping methods; central buying has been started, eleven organizations participating in purchases of coal, and several other joint contracts have been let. Plans are being made for districting the case work of the affiliated organizations as far as possible; and as a step toward more formal standardization a committee on standards for relief work has been appointed. This committee in May, 1917, was reported to be nearly ready to make its final report. It has been asked to review the work of the confidential exchange, operated by the Federation, and to recommend ways

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of strengthening it. This exchange, established before central collection was begun, proved "a success from the beginning."[1] Mr. Norton writes that because of central collection "It will probably be a little bit easier to develop it further, although that may not be true."

In addition the Federation reported that "during the past summer [1916] organizations not busy with their own work have loaned workers to agencies busy at that season"; that "the visiting nurses will loan a nurse to the Polyclinic in certain hours during the day—a centralizing of the nursing work"; and that "the Anti-Tuberculosis League has agreed to turn over to the Associated Charities all its material relief during 1917—a centralizing of relief work."

Two of the affiliated organizations replied to the inquiry quoted on page 213 as follows:

I believe that there has unquestionably been more rapid increase in the public understanding of, interest in, and feeling of responsibility for the city's social needs since the organization of the Central Budget Committee. The increase of co-operation since then has been especially noticeable in a certain instance. . . . There has been a much better understanding on the part of the various societies of one another's work and plans and a better standard of co-operation.

During the last year there has been a more rapid increase in the public understanding of and interest in the city's social needs. . . . Co-operation has increased more rapidly, both in case work details and in community service. How much of the case work co-operation has been secured through the Council I cannot say. The biggest thing, however, is that various social workers do not feel so inclined to "knock" each other, because their financial fortunes are now combined and they all sink or swim together. The Council has led in some community movements, such as the discussion of social insurance. We have accomplished some good results here in central purchasing. On questions of social legislation and other large preventive movements, I am unable to separate the source of the impetus in such a way as to say what would have happened without the federation and what with. It is safe to assert, however, that federations of philanthropies as well as federations of religious and civic bodies make it easier to accomplish constructive community results. Undoubtedly, the federation has brought social workers together in such a way as to further facilitate the accomplishment of results through co-operation in these respects.

[1] It may be pointed out, however, that in course of the first year after financial work had been undertaken two of the affiliated organizations, a visiting nurse association and a day nursery, reported to the exchange but thirty-seven and ten cases respectively.

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Another organization, though not in reply to the inquiry here considered, wrote as follows:

> The fact that the twenty-four organizations have consulted together, frankly shown their budgets, allowed them to be cut by a small Budget Committee, have often disagreed and yet have displayed no fundamental prejudices or differences, seems to me to be a monumental mile-stone on the way towards social unity, and a splendid tribute to Mr. Norton's leadership.

A representative citizen replied as follows:

> It has seemed to me that the public feeling of interest and responsibility has increased, but this is only an opinion. It is possible that it was gained more from impressions received from members of the Budget Committee than from the general public. However, there seems little doubt but that interest was largely centered on philanthropic work by the Central Budget Committee's campaign in 1915. Co-operation both as between affiliated organizations and in reference to general community seems undoubtedly to have been increased by the establishment of the centralized budget system.

At the end of the year 1916, the presidents of all organizations signed a statement to the effect that membership in the Federation had been "a great benefit" to them and that "better co-operation" had resulted.

Fourteen of the 21 organizations replied to the Committee's inquiry regarding non-financial assistance, 10 of them indicating that such assistance had been received. In four cases there was reference to assistance in the social work for which the organization is responsible. In one this is merely implied in the statement that reports are now classified, but two of the others refer to plans at least for standardizing and one states that the Federation "has always helped" it "to decide on questions of policy." The other assistance reported is chiefly in the stimulation of co-operation (six organizations), and in purchasing (three organizations), accounting, and other business methods. Several organizations refer to the resulting better understanding of social work or of each other's work. Of the four organizations that report no assistance one states that it may avail itself of the Federation's offer to do its accounting.

4. Dallas. No social work has been attempted by the Dallas Federation. One of its expressed purposes, however, was "to bring about uniform and more efficient accounting," and to "foster preventive and constructive measures." Two organizations, be-

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cause their standards of work were not approved, were not admitted to the Federation. The secretary of the Federation writes:

The Executive Committee of the Federation has desired to do the educational and social work but on account of the financial condition has not felt that the money could be spent for this class of work until the member organizations had been adequately provided for.

This writer adds the following:

The Federated Charities Finance Association was organized primarily for raising funds. . . . The United Charities represents more than half of the Association, and it was thought wise to place the financial work of the two agencies in the hands of one person, salaries and other expenses being divided between them. Social work and the fostering of co-operation between member organizations was left principally to the United Charities. The Dallas School of Civics and Philanthropy has done work of an educational and social nature such as is done by the Cleveland and Cincinnati federations, though in a somewhat more limited way. Technically this has not been done by the Federation, but it really was a part of its work, as the funds were furnished by the Federation.

5. Dayton. Comparatively little social work has been attempted by the Dayton Federation[1] beyond the operation of the confidential exchange, which had previously been conducted by the Associated Charities. The secretary is employed on but half time and most of this is needed for financial work. Nevertheless he feels that the standards of the affiliated organizations have been improved chiefly as a result of a survey made at the Federation's request at the end of the first year by Mrs. Jeanne N. Illman. The Federation Governing Committee, he explains, conferred with the various organizations regarding conditions that were criticized, and many of these have been much improved. He adds:

We have not insisted upon a complete carrying out of the plans . . . for the reason that a number of the recommendations require the expenditure of additional funds and we have not been in a position to furnish all the funds needed to carry out some of the recommendations.

The confidential exchange is in charge of the clerk who formerly was responsible for it when it was connected with the Associated Charities. A new set of cards of the modern type has been installed.

[1] The intention to undertake social work is indicated in the Federation's literature, which expresses the following among the purposes of the organization: "To render more effective the city's organized charitable activities; to develop and to direct in a constructive way the social and philanthropic sympathies of the whole body of citizens; to insure that the city's agencies for human welfare are co-operating to the utmost."

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One organization, it is reported, which formerly refused to consult it, is now using it regularly and others use it more extensively. In 1915–16, however, the Federation's second year, it appears from the statistical report to have been used very incompletely by certain organizations. One case-working organization belonging to the Federation, alleging lack of time to do so, made no inquiries whatever during that year, though efforts had been made to enlist its co-operation. It is clear, also, from the following statement taken from the Federation's printed report, recently issued, that the modern conception of the function of such an exchange is hardly realized:

> The Exchange is a card record bureau of information relative to persons reported by organizations and individuals as standing in need of assistance. Its objects are: (1) to aid in the giving of relief with a proper knowledge of the needs; (2) to lessen the labor of investigators and embarrassment and annoyance to the worthy poor investigated, by securing necessary information of a family but once and making this knowledge available to others interested in helping a family; (3) to stop imposture, avoid duplication of effort and overlapping of service, and to identify and locate former applicants for relief; (4) to make sure that relief is adapted constructively and to real needs, lessening relief for the undeserving, and making relief to the really worthy and suffering poor more full and prompt and tender; (5) to secure an interchange of confidential information for the benefit of the unfortunate.

Replies to the Committee's inquiry were received from three of the six organizations in the Federation. One reports that the Federation has helped it "in many ways besides money." It "duplicates less" because of the Federation's confidential exchange. Another reports better co-operation. It adds that a "decided advantage of the Federation is, in the case of inefficiency on the part of any federated organization, one can take the complaint to the Federation board, and it may be more effective than to go direct to the organization, as this is a rod over them, in a measure. This as a step when no action can be secured direct." The third organization reported no non-financial assistance.

6. Denver. Social work has been a theoretical part of the Denver Federation's program since its organization thirty years ago.[1] Practically, however, little of importance was attempted along this line until the last year or two. It is clear that during the earlier years co-operation was strengthened by the Federation's

[1] See page 12.

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monthly meetings. The report for 1912 states that the result of these meetings has been "an accumulation of systematized and recorded experience of inestimable value." The report for 1902 indicates that the Federation "felt that there was need of a day nursery in the city," and helped to establish one, and in 1912 the Federation established a confidential exchange and has since operated it. A well informed correspondent writes, however:

> The Federation has done little, if anything, in the way of promoting the establishment of needed organizations. It has certainly failed to establish some organizations that have been greatly needed and has seemed uncordial toward some that other people have tried to establish.

Some observers have asserted that social work is more backward in Denver than in other cities of its size, and have held the Federation responsible, in part at least, for that situation. It would be an impossible task to learn whether this is true or not, and the Committee has not attempted it.[1] But even if it is true, too much weight should not be given to it. Thus, an outside observer well fitted to judge the situation suggests that "in determining whether, to any extent, the lack of social progress in Denver has been due to the existence of the Federation, it should be remembered that Denver, geographically, is far from the centers where high standards of social work have been evolved." As to the standards of work that existed in 1913, when the Federation was reorganized, the representative of one of the organizations writes:

> We found slipshod methods used and a disposition to resent any dictation or interference along that line. We discovered that we had institutions duplicating the work of other institutions . . . the societies within the Federation did not keep abreast of modern methods and developments but remained static.

The Federation has been criticized for its failure to control social development, and as an illustration, attention has been called to the fact that at one time the city had a children's home-finding society, a member of the Federation. After it died no private organization was created by the Federation to replace it, the work being now left to a state institution. In the course of years a dozen or more organizations have disappeared from the Federation list. The Federation writes that a large proportion of them were dropped "because of an abandonment of the work."

[1] The practically stationary income for many years of that part of the Federation responsible for associated charities work has been referred to on page 138.

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The Denver situation underwent a great change a little over a year ago. Since then much greater emphasis has been placed upon the Federation's social responsibility. At its request Dr. William H. Allen made a survey of the affiliated organizations,[1] and a summary of the findings appeared in June, 1916. Among the indications of progress the following was reported:

> In few communities are charitable agencies as ready as the federated agencies of Denver seem to be to study needs for each, and to co-operate with one another in doing what is best for the whole community.

Among the deficiencies recorded are the almost universal lack of stationery, indexes, record forms, etc.; the fact that "too few questions are asked about persons helped" so that "in very many cases it would be impossible for federated agencies themselves to identify their own beneficiaries"; the "almost complete absence of independent audit or checking of accounts"; and the "failure to make statements to the public and to prospective givers, advisory boards, etc., so specific that interest will be aroused and gifts obtained."

The report offers 27 recommendations to the Federation itself. These relate to uniform records and accounts, the employment of an itinerant teacher, an itinerant auditor, an itinerant dietitian, an itinerant nurse, etc. It is also recommended that the Federation require that "all agencies will use the confidential exchange." The necessity for this recommendation is surprising in view of the fact that the confidential exchange was being operated by the Federation.

As a result of the survey it is reported that record systems have been devised for each institution, and are gradually being put into use; that satisfactory monthly reports are being used; that a trained head-resident has been obtained for a settlement association; that an infant welfare committee has been organized and a tuberculosis committee revitalized; that the heads of the three affiliated nurseries have agreed with the relief organizations of the

[1] Others who assisted in the survey were Mrs. Jeanne N. Illman, of the Dayton Bureau of Municipal Research, who, the report states, had several years' field experience in investigating and relief work in Boston and Syracuse; and Miss Florence W. Hutsinpillar, for several years with the Associated Charities of Minneapolis. For a year after the survey Miss Hutsinpillar remained with the Federation as assistant secretary.

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city upon certain general principles governing their work; that medical inspection has been introduced in each nursery; that greater attention is being given to diet in all the institutions; that more complete investigations into the needs of beneficiaries is being developed; and finally that co-operation has been promoted through the increased use of the confidential exchange. Reflecting this changed viewpoint a competent outside observer wrote in 1916:

> The men back of the Denver Federation now talk very much more about certain evils in children's institutions which ought to be corrected than they do about finances. They are thinking about what the Social Service Bureau is, how it should be related to the Department of Public Charity. . . . In other words they are using their minds in interpreting and guiding the social jobs of the constituent organizations.

The application of the survey's standards has caused considerable friction. Several organizations protested against being obliged to accept the requirements and withdrew from the Federation.[1] They have since reunited with it, however.

Replies have been received from seven of the twenty-one organizations as to non-financial assistance from the Federation. Three of them report assistance, one not specifying the kind of assistance, one referring to "help in suggesting business and accounting methods and changes in regular form of work," and the third referring to the improved situation resulting from the survey and from the fact that the federation had an assistant secretary who knew "something of philanthropy and social service and stood for the highest efficiency." On the other hand, four organizations report no assistance other than financial, one stating that the requirements of the Federation trustees "are not always practical. . . . We were better suited with our own methods of work." This correspondent adds, however, that "it is a great thing to work together, to know one another, to be a part of a great organization, working for the common good."

7. Elmira. No social work has been attempted by the Elmira Federation (the "Allied Charities"). The one social requirement contained in the agreement which all member societies signed (that all should register their cases in the confidential exchange) has

[1] See page 205.

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apparently not been enforced, for only four of the seven organizations were using the exchange in 1916.

8. Erie. The social work of the Erie Federation has been important. The following activities are reported:

1. After the flood of 1915 the services of the Federation's secretary were immediately offered to the Mayor, and for six weeks ninety per cent of his time was given to that work.

2. Steps have been taken toward the establishment of hospital social service.

3. Vacant lot gardening has been promoted through the Federation's permission to its secretary to give much of his time, as superintendent, to the Vacant Lot Gardens, started in 1914.

4. Land has been acquired for a summer camp for the use of the affiliated organizations and plans are being made to develop it.

5. A baby week exhibit was prepared by a committee of which the secretary of the Federation was a member. He was also in charge of the follow-up work. During the summer the exhibit was displayed with two-day programs in the foreign sections of the city.

6. A milk station was financed by the exhibit committee and conducted by the Visiting Nurse Association. Through the Federation's influence mothers' and prenatal clinics have been established by this Association.

7. A modern system of records has been installed in two institutions, and better systems of bookkeeping and record keeping in others.

8. Conferences on plans and methods of work are held weekly.

9. Plans for central purchasing are being made.

10. An agreement between the two hospitals as to rates charged for day patients has been brought about by the Federation. By increasing these rates fifty per cent the hospitals' income will be much increased, and the amount needed from contributions decreased.

11. A confidential exchange has been established.

For the Federation's information detailed reports are furnished each month regarding each organization's work. On the basis of these reports suggestions and criticisms are offered. The former secretary writes:

No organizations have attempted any new work without voluntarily asking the Federation's advice. They have all complied with the suggestions or requests we have made. . . . We believe that every one . . . is doing a higher standard of work. . . . Practically all of them have been able to enlarge their work.

The one withdrawal from the Federation, the Volunteers, has been due, however, to a clash of standards. The former secretary of the Federation writes:

The Volunteers . . . withdrew after a conference with the Efficiency Committee in which they were asked to choose a definite scope of work and to cease

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duplicating the work of other organizations. Their reasons for withdrawal, as given out by themselves, were that in Cleveland their organization had not been given a fair show by the Federation, and that their superior officers felt sure that they would receive similar treatment in Erie.

The only criticism of this side of the Federation's work that has reached the Committee, aside from that implied in the incident just recorded, and one other to which reference cannot be made without revealing the identity of the organization, relates to the confidential exchange. Its report for six months, ending May, 1916, showed that during that period there were no inquiries by seven out of the eleven affiliated organizations. Regarding this fact the Federation explains that no one of these organizations refused to use the exchange. "It is simply a matter of lack of time on our part to bring it about." For the purpose of increasing the effectiveness of the exchange the Federation has made use of an excellent descriptive folder. One is surprised, however, to find the purpose of the exchange explained as follows in the Federation's annual report:

The registration bureau has already demonstrated its value, which will increase steadily as the organizations composing the Federation realize its importance in detecting frauds, incompetents, and professional paupers.

One of the affiliated organizations answered the special inquiry quoted on page 213, as follows:

I can truthfully answer your first question in the affirmative. . . . We find our Charities reducing rivalry and friction, and discouraging inefficient and useless organizations which produce duplication of work and waste of money.

Replies were received as follows from three representative citizens:

The interest and responsibility of the public have been greatly increased.

There has been a decided increase in the public understanding of, interest in, and feeling of responsibility for, the city's social needs. . . . The Federation conducts a bureau of confidential information which is constantly used by charities affiliated with the Federation. I am not certain that there has been any greater co-operation in solving the general social problems of the community, at least not to the extent that there has been co-operation in the giving of relief.

I doubt if there is an increased interest concerning the poor. . . . I think, all things considered, the situation is very good. I believe, however, that this method robs us of the real charitable feeling that we formerly had. It seems to be merely a matter of business now, and we don't get very close to the real work. We leave it to others to do and merely give our money. I regret this phase of the work.

Nine of the eleven organizations replied to the inquiry regarding

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non-financial assistance received from the Federation. Six of them reported such assistance. Two specify assistance in business methods or in the "orderly operation" of the organization; a third specifies "help in consultation and advice resulting in a much better co-ordination of our work with other organized charity"; a fourth refers to the "great advantage" in having the Federation's moral support; while the fifth states that the Federation "has helped in many ways, advising as to the management of the organization." The sixth organization reports "very little direct benefit." Of the three organizations reporting no non-financial assistance, one states that the Federation "has added to our work."

9. New Orleans. Social work was planned by the organizers of the New Orleans Federation but none was attempted. The Federation writes: "All of our time was given to getting funds. We were so busy doing this that we had little time for other matters." Incidental social advantages have been reported, however, by two of the organizations. One refers to "the greater knowledge of all the work done by the charities which was gained by reports given at the meetings of the Federation"; and the other to "the drawing together of nineteen organizations for a common cause."

10. Oshkosh. No social work has been undertaken by the Oshkosh Federation other than "quizzes at the meetings of the board as to the work of each association."

11. Richmond, Ind. The social work of the Richmond Federation has the appearance of being extensive. This is due, however, to the fact, previously referred to, that the secretary of the Federation also acts as the secretary of the Associated Charities. Practically all of the social activities reported belong to the Associated Charities and are therefore not referred to here. It appears that the one withdrawal from the Federation, that of a woman's club which did district nursing and day nursery work, was due almost entirely to its feeling that the Federation disapproved of its methods of work and desired to change them.

The secretary of the Federation is convinced that for co-operation in social movements and in case work the financial bond is not essential. He writes:

As we analyze the situation in Richmond, one fact stands out more prominent than any other—namely, that complete case work co-operation is possible without a

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complete, or without even any, financial agreement or federation. Only two of the seven private societies that depend for their existence upon private contributions have entered completely into the financial arrangement; one partially, and four not at all. With the four private societies that have not entered into this financial arrangement, we have with two complete, and with two partial, case work cooperation.

12. Salt Lake City. No social work was attempted by the Salt Lake City Federation, though it had been planned, as is indicated by the following quotation from its announced purposes:

To consider all proposed legislation, enactment of ordinances and laws, having in any way to do with charity or kindred efforts, and to promulgate and in every way assist to the end that effective remedial and other proper legislation may be speedily enacted.

Incidental social benefits from the Federation's existence are reported by two organizations, one referring to the fact that "there was a saving of money because of the cutting out of duplicating work" and the other to the fact that "there was a meeting for the first time on common ground with the desire to help all."

13. San Antonio. The wreck of the San Antonio Federation, before it was really started, is partly attributed, by certain correspondents, to what was in effect an effort at standardization on the part of the organizers of the Federation. One correspondent writes:

There were two Humane Societies, each claiming to do the same work. They would not unite, and one could not—or would not—bring its books before the committee. The . . . committee was not brave enough to face the displeasure of those back of the two duplicating organizations so we still have that sort of thing in the city.

The purpose of the Chamber of Commerce in attempting to form the federation in this city is expressed as follows by the secretary of that organization, who, however, was not its secretary at the time the events described took place:

There are many charitable associations in San Antonio, and some of them overlap and duplicate effort. This unnecessary expenditure of salaries and other overhead expense was realized by many people in these associations, but every effort to bring the organizations under one general head and clearly defined jurisdiction met with determined opposition. This arose from jealousies between paid officials of the different organizations, and between the heads of some of them. The secretary of the Chamber of Commerce in 1912 undertook to bring these organizations together. The Federation was formed on paper, and the officers of the allied societies waited for the Chamber of Commerce to collect the money for them. But the directors of

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that body had never at any time agreed to this, nor had they contemplated doing it. As I understand it, it was the business of the officers of the various societies to raise the money. I am told by the men on the various committees that these officers did not do this work. Each side waited for the other to raise the money; therefore it was not raised.

I feel that the charity societies of every city should be federated; but this is not the business of a chamber of commerce. Such a body can be of assistance to the charity societies, and should be so at all times possible. This organization is now working in close co-operation with the Associated Charities and the Public Health Nurses' Association of this city. In an emergency six months ago our officials—largely out of their own pockets—financed the latter association, and by their influence with city officials have made it possible for the work to be carried on.

14. South Bend. The South Bend Federation has made little effort to do social work. In its constitution, however, and in its early literature the intention to do such work was given a prominent place. It is stated, however, by Federation officials that as a result of its existence "the work of the organizations has been centralized and made harmonious, and that there is now a spirit of working together which did not exist before."

A member of this Committee who visited South Bend reports that the officials have it on their minds that they can and ought to bring pressure upon the affiliated organizations to raise standards and promote co-operation, and that they have already given suggestions to one of the organizations. There has also been some discussion of plans for a joint exhibit. Replies were received from seven of the twelve organizations. Of these, five reported no non-financial advantages, two explaining, however, that because of the added funds or the freedom from financial activity they were able to do better work. The two reporting assistance refer only to improved co-operation.

15. Jewish Federations. In Jewish federations social purposes have usually been less emphasized than in general federations. Mr. Waldman, in the booklet previously referred to, states that:

For the most part Jewish federations consider their functions to be primarily the organization of the collection work of their communities. . . . Federations have also as a rule made healthy progress in the extension and expansion of service rendered by the constituent societies. . . . A striking illustration, however, of the refusal of a large city to take progressive steps is that of Baltimore, where the Federation declined the offer of $50,000 from a former resident to build a new orphan asylum on the cottage plan, in the place of its present congregate institutions, because it was averse to imposing on the community the burden of approxi-

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mately $125,000 for a building and an additional annual tax of approximately $10,000.

It is in promoting new work that the federations have most frequently failed. This is not to say that there have been no new enterprises of a charitable nature in the federation cities, but rather that the initiative of such enterprises has been meager and has come from without the federation rather than from within. Thus, in Chicago, a day nursery was originated from without the Federation and later admitted to membership. In the same manner, a sanatorium for incipient tuberculosis was organized and later made a member of the federation family. The one new agency which the Chicago Federation organized of its own initiative was a home-finding society. . . . On the other hand, St. Louis has for some time past felt the need for additional fresh-air work and a home for the convalescent sick, but the federation has taken no steps to organize these new services.

There is no doubt that the existence of a federation in every city where it obtains has in itself helped the contributors to consider their communal problems more and more from the angle of the community rather than from the point of view of any particular institution or class of dependents. Therein, perhaps, lies federation's greatest achievement.

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CHAPTER XI

GENERAL TESTIMONY

IN THIS chapter there have been assembled the general expressions of opinion received from federation cities—particularly answers to the following inquiry,[1] which was put to the affiliated organizations in most cities:

From your experience with the Federation would you advise other cities to adopt the financial federation plan at once, or would you advise them to wait a few years longer to see how the experiment in your city, and in several other cities where it is being tried, turns out?

The answers have not been as definite or as complete as was desired, but they are presented in the following pages so that readers may judge for themselves.

1. Cleveland. Mr. Williams stated, in 1916, "We are still in the experimental stage, but it has been worth risking all that we did risk." The treasurer of the Federation wrote, also in 1916, that the Federation has become firmly established in the confidence of the city's givers, and that "there is no probability of a return to the old method." At the recent completion of the Federation's fourth year editorials appeared in two of the Cleveland papers which in part are as follows:

It [the Federation] has gained ground from the start in efficiency and good repute. It has indicated the confidence of its founders and fulfilled their hopes. . . . The esteem in which the Federation is held by the community is highly complimentary to those responsible for its organization.

The various organizations are working in complete harmony, with more efficiency than before, and no one conversant with the facts would suggest a return to the old conditions.

Early in 1916 several of the city's social workers stated that there were sufficient grounds for continuing faith in the principles of the Federation and their ultimate success. A group of business

[1] Some answers are included also to inquiries regarding the federations' general advantages or disadvantages.

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men, chiefly members of the Chamber of Commerce, who were asked for their opinions in 1916 by a chamber of commerce in another city, gave favorable replies almost without exception. Another prominent business man, connected with one of the affiliated organizations, stated that "the business men of the city are solidly behind the Federation. Our firm would continue to give that way no matter how many others quit."

The three following quotations are from statements made in 1916 by persons connected in no direct way with any of the organizations, and yet in touch with their activities.

> The Federation marks a big advance in social work . . . and while at the present time it is not worked out in every detail, I personally have great confidence in its future development.

> My advice to other cities would be, by all means, to wait a few years longer. The experiment here has not demonstrated itself yet to be a success. It will have to be thoroughly reorganized in method and practice before it can hope to succeed.

> There is a great deal of dissatisfaction with the Federation.

A member of the survey committee of the Cleveland Foundation wrote to the Grand Rapids *Press* in 1916 that, "The Federation seems to have been started wrong end to." Reference was presumably made to the fact that financial federation was started first and social federation not till four years later.

Mr. Edlund, shortly after leaving the Cleveland Federation, and presumably in large part on the basis of his knowledge of the Cleveland situation, wrote as follows to a correspondent in a city in which federation was being considered:

> If a community is ready for federation, and can go into it whole heartedly and with a realization of the size of the problems involved and a determination to meet them squarely, at whatever cost of time and money and whatever sacrifice of individual agencies for the good of the whole, then federation is the best step that any town can take in its social work. . . . Whether —— has reached this stage of development is a question for —— people to determine. But as federation is one of the ultimate steps in the development of social work in a community, it seems wise to suggest that no community should take it until the social development is pretty far along. Centralization of anything as far-reaching and important to a community as its social work demands the most careful consideration and long preparation.

In response to the inquiry quoted on page 214, replies were received from 32 of the 56 organizations. Fifteen replied in a way

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that either explicitly or by implication advised other cities to try federation at once—at least, they were not advised against such a course—while 17 either explicitly or by implication advised other cities to wait. The essential parts of these replies are as follows:

I. GENERALLY RECOMMENDING IMMEDIATE ACTION

We are more than satisfied. . . . If the same conditions existed in other cities, I can see no reason why federations would not make a success from the start.

It seems to be working out pretty well. Although our particular organization . . . has been something of a sufferer, nevertheless we believe that the plan is right.

Take up the matter at once. . . . We feel that our Federation is a success, but we realize that with the same plan in another city it might fail owing to lack of either the proper leader . . . or because the people advising him might not bring to the problems the wisdom that our particular group has shown here.

We like the present arrangement much better.

If other cities can get another such a man as Mr. Williams . . . their federation will be successful.

The plan is a success. . . . We would encourage other cities to adopt one like it.

Adopt the plan decidedly at once.

I am thoroughly convinced of the safety and sanity of the plan.

It would depend upon the circumstances in each community considering the matter. Based on the workings of the Cleveland Federation, we would say that it is a step in the right direction, and would advise any community to try the plan, provided conditions in general are favorable. . . . We would consider it a great calamity if the Federation were to cease operation, and we have nothing but praise for its work.

We consider the Federation most successful and have found as yet no cause of complaint.

We endorse the federation idea.

I believe in the Federation, but each organization must do its share and be in full sympathy with such a federation to receive the full benefit. Immediate adoption of the plan elsewhere is advised.

I am not convinced that the federation idea cannot be worked, but I am not satisfied with what Cleveland has done so far. . . . I should hate to have our city go back to the old way of raising money, but I think our present plan could be very much improved. I should advise other cities, perhaps not to wait, but to have a very clear idea of the drawbacks in planning their own experiments. I believe the problems will have to be worked out locally in the different places. It is too early yet for us in Cleveland to answer the fundamental question: "Has social work been made broader and more constructive under the Federation?"

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The Federation has helped us.

We approve of the Federation. It is, however, better for the older and larger institutions than for the new.

II. GENERALLY ADVISING, EITHER EXPLICITLY OR BY IMPLICATION, AGAINST THE FORMATION OF FEDERATIONS ELSEWHERE *at present*

Whether or not the principle can be so established that it is successful remains to be demonstrated. The ideal is sound and good.

The Federation is right in principle, but I certainly would not advise other cities to adopt the plan unless numerous preliminaries had been taken, such as we took here. . . . The Federation is still in its experimental state.

I would advise other cities to wait a few years.

Wait a little longer.

I am not convinced that the Federation is a success or a failure. . . . I would not advise any city to start one.

In theory, I believe in the Federation; in practice, I am disappointed. Several institutions in which I am interested questioned the advisability of joining the Federation when it was started, but finally yielded. . . . They are not satisfied today, neither am I, still I am not ready to say it's a failure, but think the coming year ought to tell.

The Federation has not had time to demonstrate itself a success, but it will have had time within two or three years. There were ten or twelve years of preparation in Cleveland. So long a period will not be necessary elsewhere, but four or five years is necessary. . . . Harm is liable to result and the whole progress to be set back by attempts to copy our methods when as yet they are unformed. . . . I believe the Federation idea is sound but I am not equally clear that it will accomplish all results anticipated in Cleveland. Our suggestion is that other progressive cities . . . await the development of Cleveland's experiment, until our experience shall have shown the strong and the weak points in the scheme. It is not yet possible to know the results. We expect to make it work, but we do not know exactly by what methods.

The Federation is still in the experimental stage. The ideals and purposes are certainly very commendable. The working out of these has been but an indifferent success.

I am inclined to advise any community . . . to go slow. . . . This development . . . is something of an experiment. It might work well in one community and not at all in another. . . . I have great faith in the idea, and feel hopeful that we may yet meet with greater successes in Cleveland.

Our organization's experience during the first year of the Federation was not satisfactory, but its experience has been getting more satisfactory each year. . . . I believe that it is not *demonstrated* that the plan, as worked out to date, is a success, and it is for that reason that, when my opinion was asked by representatives of an organization in ——, I advised them to wait a while.

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The Federation methods may not hamper the individuality of institutions such as hospitals and orphanages, but we feel it has not worked out successfully for the group to which our organization belongs.

We would not advise city after city to adopt federations simply because some other community has succeeded. The Cleveland Federation has been the pioneering organization, and has had to do many things along experimental lines, and because of passing through this experience of uphill business the fires have helped to purify it and make it strong.

It cannot yet be said to have been proved that a federation can fully supply the needs of all necessary philanthropic institutions in a large community.

While the spirit and intent . . . are good, yet thus far our trustees have been very much dissatisfied with the result. . . . It would be better for a large city to *wait* until the Federation here could be fully worked out. . . . It will take several years for the Federation to meet the needs of the organizations in this city, and it is very probable that there will have to be some change of plans before this can be accomplished.

I do not think the Federation has been an entire success, and I would await further developments.

The quotations in the following paragraphs are taken from the report of a brief study of the Cleveland Federation made by James Sweinhart in 1916 as a representative of the Detroit *News*. Mr. Sweinhart spent ten days in Cleveland. His report gives full credit to the Federation's accomplishments, financial and social, as recorded in earlier chapters of this report, but he gives the other side also.

To a very large extent the Federation has been successful—in some directions amazingly so; but there is still some doubt, even among those who sponsored it and are now putting it into practice, as to whether it is really the instrument by means of which charitable administration in Cleveland can be brought to the high and efficient standard which they desire. . . . Charity workers, even some of its most enthusiastic sponsors and present defenders, hesitate to recommend it to other cities. And here are the reasons:

First, The period of experimentation is not yet over.

Second, Cleveland had a field remarkably well cultivated for a favorable planting of the federation idea. . . . In a city where there had not been all these preparatory steps during which the public mind was gradually educated to the idea, a federation might fail absolutely.

Third, The workings of the Federation machine cause many unfavorable comments. . . . Many givers do not like this "immunity" and "non-immunity"; they say it smacks too much of coercion. . . . And then, again, some of the societies now federated have been doing certain things a certain way so long that it's hard to break away, and when the Federation insists that they cease the prac-

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tice and conform to the articles of federation—well, there are some awfully sore spots and heart burnings. . . . Again, other givers say that, by contributing through the Federation, they lose their "personal contact" with the work; charity becomes merely a matter of a pen and a check book and there's no earnest, intelligent interest on their part. . . . These are but three of a score of points where the federation plan hasn't worked out well so far.

"There's no question that we're on the right road," charity workers say, "but, as yet, we do not just know where we are—we haven't yet gone far enough. . . . Other cities should go slowly in adopting the plan—they should wait and see how it works out here."

2. Baltimore. Replies were received from six of the 12 affiliated organizations, but only one of them, even by implication, advises the formation of federations elsewhere at once. This correspondent regards the federation plan as on the whole "a distinct advance" and is "inclined to recommend it rather strongly." Two organizations are unwilling to give advice in either direction, one because, though the "organizations are enthusiastic," the Federation "is still in an experimental stage," the other because "the experience has been so short." The three other organizations advise other cities to wait. One of them adds: "We are still in the experimental stage even as regards a number of essentials."

A member of the "Board of Presidents" of the Federation wrote in April, 1917, as follows:

Any judgment of the Alliance at this time must be premature and therefore of little value. It seems, however, true that there has been a considerable gain in efficiency in each of the member associations, partly because they are under the same roof. Our financial problems are not settled, but there is good reason to believe that the budgets of the associations can be met by a united effort in the future.

3. Cincinnati. Considerable testimony, all of it favorable, from representatives of affiliated organizations and other citizens, was printed in a booklet issued by the Federation in 1915. A year later the presidents of all affiliated organizations signed the altogether favorable statement from which quotations have been made on pages 193 and 220. In support, however, of the view that the evidence is not yet all in, the Director of the Federation writes that "we must be given a considerable period of time, possibly five years, to demonstrate the peculiar advantages that will accrue from our plan."

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Replies were received from 12 of the 21 organizations, when they were communicated with in the summer of 1916. Only three were willing to advise other cities, and only one of these would advise the formation of federations in such cities at once. This correspondent advises it "especially for the weaker associations, or, in other words, those that need financial help and perhaps could not get it any other way, and yet may be thoroughly reliable." The two other organizations advise other cities to wait. One writes that "The best thinking people of Cincinnati, also the best donators, are very doubtful whether the scheme will be a feasible one or not." This organization wrote again in April, 1917, that since its earlier letter it had "had the most satisfactory kind of work" in connection with the Federation. It adds that "so far the plan is proving a splendid success."

Three organizations not in the Federation, either directly or by implication, advised delay. One would "advise other cities to *wait*, patiently wait, for it certainly is an experiment in this city."

Of the nine other affiliated organizations that wrote in general in regard to advantages or disadvantages, five report no disadvantages, while the four others speak more positively regarding advantages. One states that the Federation has been "of very material benefit to it"; a second is "much pleased with the results. . . . Our organizations have all enthusiastically indorsed the plan and not one has dropped out"; and a third is a "firm believer" in the plan. The fourth writes as quoted on page 220.

4. Dayton. Replies were received from but four of the nine affiliated organizations. These do not advise clearly either for or against the establishment of federations elsewhere at once. One writes that "the fundamental idea . . . . is absolutely correct"; another, that while it is certainly the best plan, "some cities may not be ready for it. If their charities are well organized and charity affairs, such as balls, fetes, etc., are a bore to the community, go ahead. Otherwise they might await further results." A third, after advising other cities to adopt the plan at once, adds rather inconsistently: "Each city must work out its own salvation. What will be very successful in one city will not do for another. We think the plan *very* good, but as yet our Federation has had great difficulty in soliciting enough money to cover all organizations

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. . . and has had much to contend with the last few years . . . Our plan . . . is so new, and there are so many charities to draw from the Federation, we hardly know just how it will work out." The representative of the fourth organization who has "faith in the federation plan" suggests that "for any city that is having financial difficulties under the old plan, a very careful study be made before a change to the federated plan be made." An organization not in the Federation urged other cities to "wait a few years," but two business men gave just the opposite advice.

5. Denver. In the Denver Federation's report for 1912 it is stated that "the experience of a quarter of a century has justified the original plan of organization, and changes have been made only in details of operation." By contrast, in the next report the statement appeared that is quoted in full on page 133, that "to avoid complete disorganization," a reorganization had become necessary.

Of the nine replies received from affiliated organizations out of 21 in the Federation, only one without qualification advises the immediate formation of federations elsewhere. This one adds, however: "The next few months will work the success or the failure of our Federation, and I for one believe that it will work the success. . . . Federation is fraught with much difficulty, and pioneering is not the most pleasant sort of work. It is to be regretted that Denver undertook federation when it did without more careful survey of conditions and more study and particularly more education of the various institutions composing it."

A second organization writes that while it is difficult to advise other cities "because of necessary differences in local conditions," for Denver "very decidedly federation is the most desirable." A third organization states that "the Federation is most essential to Denver's philanthropic welfare," but that "it seems to take a long time to gain the confidence of the public." Another organization writes: "Unless a city knew where to find an unusually gifted person to take charge, I should hesitate about organizing a federation for financial purposes; but that some such organization should prevail in order to keep various charities up to the highest standards of efficiency and modern methods is very necessary."

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The representative of a fifth organization writes that though "thoroughly believing in federation, we are only experimenting yet." Another states that "there are now enough cities trying out the plan. . . . Cities attempting it would do well to wait"; and another that "the Federation here has not yet passed the experimental state. Some of the organizations within it have been very well satisfied, while others have not been so well pleased. There is much to be said on either side." The two remaining organizations advise other cities "to wait."

Letters have been received from two organizations not in the Federation. One reported that "it has been a great success, and has stopped quite a little annoyance to the business and professional men with solicitations for money"; and the other wrote as follows:

> Our Federation has never succeeded in making a favorable impression upon the minds of our citizens. This has been on account of the fact that notwithstanding pledges frequently and emphatically given that the institutions composing it would not make canvass for funds among contributors, this has continually been done. Indeed, I do not see how it could have been otherwise, since there never have been sufficient funds secured.

A Denver business man wrote in 1916 that while he thought the Federation would "pull through," it was then "not in a very healthy condition."

6. Elmira. The President of the Federation wrote in 1916: "All honor to our Seven Allied Charities . . . . that there is such harmony and good-will among them. . . . We must not give up this system; it would be an overwhelming disgrace."

Replies from two of the five affiliated organizations consulted indicate that they have felt no disadvantages from the existence of the Allied Charities.

7. Erie. The Federation's secretary does not "feel justified in recommending immediate organization of financial federations in other cities." Replies to a general inquiry, regarding advantages or disadvantages from the Federation, were received from five of the 11 organizations. One reports that no disadvantages have come to it. It adds: "It has been a wonderful relief to every institution in our city." Two others report no disadvantages, a fourth that "the directors and friends of each organization are satisfied and

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eager that the Federation shall continue," and the fifth that it "is doing a work which is not an experiment but has proven its need and help." In the Federation's report, letters are printed from each of the 11 affiliated organizations. These, without exception, express favorable opinions. The representative of one of the organizations referred to above adds the following:

> The Federation was recognized from the start and is still felt to be an experiment. Neither the length of time since it was formed nor the effectiveness of its work has been sufficient to warrant us to pronounce it an unqualified success. . . . In other words, it was felt that it would be a good thing if it would work. We are endeavoring now to see if we can make it work. . . . I believe it is a move in the right direction, but that we have yet to find out its limitations and possibilities. For a city which has not yet formed a federation, it seems to me that the question for consideration must be whether it wishes to plunge in while things are as yet in the experimental stage, or whether it would prefer to get along on the old lines until it can take advantage effectively of the experiences gained in other cities.

8. New Orleans. Each of the 18 organizations in the New Orleans Federation was asked: "Was your organization satisfied with the Federation, and would it have been glad to have had it continue its work?" Answers were received from nine organizations. Five replied "yes," certain of them stating, however, what was probably true of all, that in so reporting they had reference to the fact that the Federation relieved them of financial responsibility: they would have been glad to have had it continue if it could have raised the money they needed.

Additional testimony has been received from two of these organizations and from four others. One entirely endorses the principle. Another states that "if practically all of the charitable organizations in a community could be drawn into the Federation it would probably be a success," but that "if the religious charitable organizations are excluded . . . . it would not be a success." A third writes: "We had some lessons unlearned. I believe that we shall have a Federation again some day, but proper education must be spread before people will understand and believe in such a scheme." Another criticizes the management and adds that "the principle of federation is right, but the management requires almost a genius."

9. Oshkosh. Rev. Harry F. Burns, who was largely instrumental in the formation of the Oshkosh Federation, wrote early in

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1916: "So great is the satisfaction that there is little doubt that this new method of raising funds for charity work will be continued year after year."

10. Richmond, Ind. No inquiries were sent to the affiliated organizations. The secretary of the Federation wrote as follows in 1916:

> After two years' experience with the management of a financial federation in a small town, I have reached the conclusion that the plan is impractical, or, at least, too far in advance of the present age and generation.

11. Salt Lake City. There seems to have been quite general regret in Salt Lake City at the abandonment of the Federation, based primarily upon the fact that it relieved the organizations to a considerable extent of financial responsibility. An editorial in the *Utah Survey*, a magazine devoted to social work in the state, refers to the situation as follows:

> We are sorry that the Charities Endorsement Committee and the Central Finance Board have dissolved. . . . Certainly the advantages of the plan . . . were worth while. On the other hand, there were some grave disadvantages.

Replies were received from six of the 14 affiliated organizations. Three recommend the plan to other cities, one adding: "We will work to have the Board re-established in this city." A fourth does not "feel competent to advise either against or for" the plan, which "seems to be excellent, but presupposes an amount of general education in the community on the subject of giving and the manner of giving, which must be lacking in many cases." A fifth refers also to this need of education, while the sixth writes that "if the thing could be done properly the financial federation scheme is a good one."

12. San Antonio. Though the San Antonio Federation was never really put into operation, testimony is presented regarding the year during which the attempt to organize it was being made.[1] The five organizations that replied wrote as follows:

> While all organizations suffered because of the attempt, I am confident that if properly organized and conducted the Federation would have been beneficial. . . . Any kindly feeling that may have existed previously was destroyed, and all were generally disgusted.

[1] See page 229 for an explanation of the situation made by the Chamber of Commerce.

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On account of the injury done to the charity organizations in this city by reason of the action of the Chamber of Commerce, the Charities Fund Association had a meeting at which the organizations unanimously resolved to disband.

Federated finance may be all right handled in an experienced, intellectual, intelligent, business-like manner from start to finish, but unless it is, it works hardships from which the organizations will require a long time to recover—if they ever do. . . . All those who were fortunate enough to have a "nest-egg" were forced to draw upon same. . . . It is simply not possible to tell just how much the Charities Fund Association put us back financially.

I feel deeply on this subject. . . . I consider the brief life of the Charities Fund Association the greatest enemy organized charity ever had.

It was the worst blow ever given charitable work in San Antonio. . . . I would advise against the formation of such federations in other cities.

13. South Bend. At the beginning of its second year the South Bend Federation published comments from each of its affiliated organizations. These were all favorable, some very favorable. Eight of the 12 organizations in the Federation replied to the Committee's inquiry, six of them recommending more or less explicitly the immediate adoption of federations in other cities. Of the two others, one writes that while the Federation has been "quite a success," it is "still in an experimental stage, and it might be well for other cities to wait a while longer before trying it," and the other that its experience has "not been satisfactory." It adds that many people "are satisfied to take what comes through the Federation because it is easier than the individual campaign, but they do not realize how much the work is cut each year to fit the amount secured."

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CHAPTER XII

WHY FOUR FEDERATIONS FAILED[1]

THE reasons assigned for the failure of the federations in Birmingham, New Orleans, Salt Lake City and San Antonio, as referred to in the preceding sections, are assembled in this chapter so that the situation in each city may be considered as a whole. In general, it appears that all of these federations were formed without adequate preparation, and with little or no consultation with officials in cities in which federations already existed. In two cities, Salt Lake City and San Antonio, the commercial organization apparently failed to enlist the co-operation of the social agencies before attempting to federate them. In all cities except San Antonio, where the situation was unique, the immediate cause of failure was the federation's inability to collect as much money as was needed. Underneath this, however, certain other influences were at work, as appears from the answers received to the Committee's inquiries.

1. **Birmingham.** One of the organizers of the Birmingham Federation states that two of the affiliated organizations suffered from the antagonism that existed against the third. He writes that "this made contributors hesitate to give, or to renew, to one or both of the two other organizations thus closely allied with it, even though they had the opportunity to designate the particular

[1] One other federation, in Houston, Texas, has failed, and still another, in Springfield, Mass., has suspended work. These federations were formed after the Committee began its work, and no study of them has been made. Some information has, however, been received in regard to the Houston Federation. It was called the Welfare Finance Committee, and consisted of five organizations. It was organized in October, 1916, and abandoned in less than eight months. A well-informed correspondent writes as follows regarding it: "Last October we tried to have all of the charitable organizations of the city conduct a campaign through the Welfare Finance Committee, to which they all willingly subscribed, but did not carry out any of the terms of their agreement. As a result the money was not raised, the different organizations withdrew and were left to obtain their money in any way they could. The Welfare Finance Committee was not a success in any sense of the word. Houston did not appear to be ready for this change."

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organization, or organizations, they wished to give to." This correspondent adds that the reverse claim was also made; *i. e.*, that the popularity of one organization was drawn upon to help finance the unpopular one. He writes:

> The ——— is a popular cause, and had awakened considerable interest through the churches, etc. It felt that it lost through the joint arrangement, the popularity of its work helping to swing contributors to the Tri-Charities fund, but not increasing the sum total of gifts or givers; and since most contributions were undesignated, the two other organizations profited by the loss thus incurred by the one.

Another of the organizers refers also to the disproportion of designated funds as a cause of dissatisfaction. He writes that "a disproportionately large amount of the money subscribed was designated for the least needy of the three organizations, and the smallest proportion for the one whose budget was the largest." His view, however, of the chief cause of trouble is as follows:

> The trouble was, primarily, that so few organizations shared in the campaign, and these of very unequal type of budget. . . . The plan was not a success, largely because the public had not been educated to the advantage of giving in this manner, and because the committee in charge of the work would not, at any rate, did not, take the time to explain the advantages of such a scheme.

2. New Orleans. The reasons that led to the abandonment of the New Orleans Federation may be grouped under the following four heads:

1. The so-called "non-sectarian" character of the Federation. Seven correspondents refer to this. All Catholic organizations were excluded as "sectarian," and yet certain Protestant organizations were included which it is asserted were just as "sectarian" as the Catholic organizations. The Jewish organizations remained outside the Federation and continued solicitation as before. The fact that the Roman Catholic population of New Orleans is large and their institutions many, and that the Jewish element is also large and influential, made this a serious handicap.

2. The Federation's policy or management. Six correspondents refer to this. One states that the Federation took too much responsibility in promising stipulated amounts to the organizations; another that a mistake was made in allowing the organizations to leave all the responsibility with the directors; and a third that the Federation officers had no social service experience and

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did not know how to handle the matter. Two others mention inexperienced management, one referring also to the antagonism of the public due to ill-advised comments that appeared in the papers and were alleged to have been made by federation officials. Still another correspondent states that the city needed educating and that the Federation was neither patient, tactful nor helpful. Another writes that "it is possible and probable that the difficulty was in part at least that we were lacking sufficient funds to pay the proper salary and obtain the right kind of an expert to handle the office."

3. Three correspondents mention conditions due to the war and the need for large contributions for Belgian relief.

4. A fourth and evidently a very minor cause, mentioned by one correspondent, is that the women of New Orleans are not accustomed to have bank accounts, and that the Federation, by prohibiting bazaars, sales, etc., put a stop to their making the only sort of contributions they could make, *i. e.*, from their larders, for dinners and the like . . . . and thus cut them off from the pleasure which they took in such activities and lessened their interest.

3. Salt Lake City. The Salt Lake City Federation announced that its work was discontinued "because of the failure of certain organizations to refrain from ticket selling and general solicitations." Three of the organizations had withdrawn from the Federation—the Volunteers for financial reasons; St. Mark's Hospital in order to be free to raise money by means of a ball; and the Young Women's Christian Association, which stated that it was a religious or educational organization and therefore should not be included with the charities of the city. The Federation regarded the independent solicitation of these organizations as too serious a handicap. One writer states that there was "much misunderstanding of the centralized charity scheme, due evidently to inadequate educational work. Another writer refers to "the 'big stick' methods of a few, whose primary object was to diminish the demands on the charitable," and to the fact that the federation "overemphasized the business side in making its appeal."

The three following closely related reasons were offered by still other correspondents: discouragement on the part of the Federa-

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tion because the response to its appeal was not as generous as it had hoped, the Federation's inability to raise the necessary budget without asking the women of the various charitable societies to collect for them, and its inability to create a public sentiment which would stand back of its financial needs. One correspondent states that the public generally felt a lack of confidence in the experiment because the original statement of needs was so greatly exaggerated.

4. San Antonio. In regard to the failure in San Antonio, several correspondents lay emphasis upon the hasty, if not arbitrary, action of the Chamber of Commerce previously referred to.[1] One organization writes:

> The Chamber of Commerce was the originator of the movement, and demanded that the organizations federate, they selecting the committee of managers. As they were ignorant of what they really desired to accomplish, and had attempted to do a thing regarding which they were utterly unfamiliar, the result was as might have been expected.

Another organization writes that the "citizens resented being told how much it was their duty to give." This organization adds that it "protested and was forced into the Federation." The long delay before subscriptions were solicited seems to have been due to the difficulty and final failure of an attempt made to amalgamate two societies which were hostile to each other and were doing substantially the same form of work. According to another correspondent the unpopularity of the Chamber of Commerce was a cause of failure. Another cause mentioned was the refusal of citizens, generally interested in some one or few organizations, to make contributions to be divided pro rata among all. There was no arrangement whereby contributors could designate the recipients of their gifts.

[1] See page 229.

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APPENDIX II

STATISTICAL TABLES

I. THE FEDERATIONS COMPARED

1. Contributions—Pre-federation and Initial Federation Years[a]

Federated city	The year before the federation was formed		The federation's first year—"total contributions under the federation"[b]			
					Per cent of increase over the preceding year's	
	Contributions alone	Contributions and profits on entertainments, etc.	Year	Amount	Contributions alone	Contributions and profits on entertainments, etc.
Complete data						
Cincinnati	$118,015[c]	[d]	1916[e]	$152,290	29.0	[d]
Erie	20,348	$35,205	1915–16	63,700	213.0	80.9
Oshkosh	..	8,657	1915–16	10,067	..	16.3
Richmond	..	3,774	1914–15	7,035[f]	..	86.4
Incomplete data[g]						
Baltimore[h]	164,820	[i]	1915–16	228,026[j]	38.3[k]	[i]
Cleveland[l]	281,584	[d]	1912–13	369,886	31.4	[d]

[a] Discussed on page 20.

[b] *The phrase "total contributions under the federation" covers all contributions to the federation and all received direct by the affiliated organizations. It includes receipts from the sale of Christmas seals, from tag days, and from collections in churches, on the street, or elsewhere.*

[c] Includes profits from a concert, $1,067. The "year before the federation was formed" is the year before each organization joined the federation—usually either 1914 or 1915. In so far as the figures are for the year 1914, the per cent of increase is calculated on a two-year period instead of a one-year period.

[d] The total amount and the per cent based upon it cannot be given, because the receipts from profits on entertainments, etc., are not known.

[e] The year 1916 is considered as the Federation's first year, since its first fiscal year, 1915, was an incomplete year.

[f] The receipts for the federation year include also certain receipts from entertainments.

[g] In the two federations in this group the comparison is based on a limited number of organizations, since figures regarding the preceding years are not available for all organizations. The calculation overstates the increases somewhat because in the federation year not only those contributions are recorded which the federation paid over to the selected organizations, but also the federation's collections for its own expenses. Not *all* of the latter are properly included because of the limited number of organizations.

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2. Contributions—Successive Federation Years[a]

Federated city	The federation's first year	"Total contributions under the federation"[b] with the per cents of increase (+) or decrease (−) over the first year in *italics*					
		First year	Second year	Third year	Fourth year	Fifth year	Sixth year
Baltimore	1915–16[c]	$245,423	..	..	..	..	..
Cincinnati	1916[e]	152,290	..	..	..	..	..
Cleveland	1912–13	429,180[d]	$477,183[d] *+11.2*	$480,183[d] *+11.9*	$543,656[d] *+26.7*	..	..
Dallas	1915–16	39,992	..	..	..	..	..
Dayton	1914–15	30,784	34,878 *+13.3*	38,049[e] *+23.6*	..	..	..
Denver	1913–14[f]	32,756[g]	29,336[g] *−10.4*	41,986[g] *+28.2*	..	..	..
Elmira[h]	1910–11	11,435	12,322 *+7.8*	14,026 *+22.7*	15,040 *+31.5*	$18,847 *+64.8*	$16,831 *+47.2*
Erie	1915–16	63,700	..	..	..	..	..
New Orleans	1914	49,695	..	..	..	..	..
Oshkosh	1915–16	10,067	..	..	..	..	..
Richmond	1914–15	7,035	7,707 *+9.6*	..	..	..	..
Salt Lake City	1914–15	19,212					
South Bend	1914–15	22,401	22,437 *+0.2*	..	..	..	..

[a] Discussed on page 21.

[b] Includes "direct contributions."

[c] An incomplete fiscal year that preceded this is not considered.

[d] For important qualifications see page 262, footnote f.

[e] In the fiscal year of but eight months $25,366 was received. The above figure is arbitrarily estimated on a twelve months' basis.

[f] For the purpose of this table the year 1913–14 is considered the Denver Federation's first year. It is the first year after the Federation's reorganization on the general lines of the Cleveland Federation.

[g] These figures cover only contributions to the Federation. Total contributions cannot be given, for no complete record is obtainable of the contributions received direct by the affiliated organizations during any year up to 1915–16.

[h] The figures furnished are not contributions received by the Federation, but amounts paid by it to the affiliated organizations.

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[h] Figures cover but eight of the 12 affiliated organizations, and for 1913–14, regarded as the "year before the Federation was formed," are based on incomplete memoranda, which are the best available without further study than the Federation office has so far had opportunity to give.

[i] No funds were received from entertainments, etc., during either of the years compared.

[j] Figures cover the Federation's first *complete* year, 1915–16.

[k] An increase over a two-year period—from 1913–14 to 1915–16. Figures for 1914–15 are not available and are complicated by the fact that the Federation was in existence for part of that year.

[l] Figures cover only 41 organizations, but most of those omitted did not receive large contributions. No figures are available for 11 organizations for the year before the Federation was formed, and three others that are included in the first year did not exist in the previous year. The figures for the two years are incomparable in two particulars, but the disturbing factors tend to offset each other, since they affect the rate of increase in opposite directions. That rate is *larger* than it would be if profits from entertainments had been included, for the Federation has either eliminated them or has much reduced the income from them. On the other hand, the increase is *smaller* than it would be if the comparison had been made, as it should be made, between two complete years. The Federation's first fiscal year was a year of but seven months, and it is here compared with the year of 12 months that preceded it. No reliable estimate can be made regarding the contributions of the missing five months.

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3. Undesignated Contributions[a]

Federated city	Contributions received by the federation[b]			
	Period	Amount	Undesignated	Per cent undesignated
Elmira	Je. 1, '14–May 1, '16	$62,401[c]	$62,401	100
Birmingham	1914–'15	..	"Most"	(?)
Denver	1915–'16	41,986	39,414	94
Richmond	1914–'15	5,918	4,734	80
Erie	1915–'16	60,676	43,009	80
Dallas	Dec. 1, '15–Nov. 1, '16	28,046	21,659	77
Dayton	May 1–Oct. 1, 1916	17,402	11,941	69
South Bend	1914–'15	22,401	13,477	60
Baltimore	Nov. 1, '15–Jl. 1, '16	149,199[c]	83,691[c]	56
Oshkosh	1915–'16	10,705[c]	5,472[c]	51
New Orleans	1914	43,488	22,395	51
Cincinnati	Jan. 1–Apr. 1, 1916	77,329	34,910	45
Cleveland	1915–'16	386,351	108,476	28

[a] Discussed on page 100.

[b] Contributions made direct to affiliated organizations are not included here as they are in certain other tables.

[c] Subscriptions.

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4. Deficits of Federated Organizations[a]

Federated city and year	Deficits incurred under the federation		
	Organizations that incurred them	Amounts	Per cents they were of the "total contributions under the federation"
Baltimore			
1914–15[b]	6	$36,865[b]	15.0[c]
1915–16	None	None	None
Cincinnati			
1915	1	4,000[d]	[e]
1916	None	None	None
Cleveland			
1912–13	19	20,497	4.8
1913–14	19	23,638	4.9
1914–15	22	53,326	11.1
1915–16	24	77,051	14.2
Dallas			
1915–16	1	1,329[f]	3.3[f]
Denver			
1913–14	15	25,042	23.2[g]
1914–15	11	8,510	13.7[g]
1915–16	9	9,816	8.5[g]
Erie			
1915–16	4	10,080[h]	15.8[f]

[a] Discussed on pages 27 and 118.

[b] Only seven months of this year were under the federation. Offsetting the deficits shown there were surpluses of $6,656 in the hands of five organizations. One of the 12 organizations belonging to the federation is not considered, for the federation assumes no financial responsibility for it. These deficits and surpluses take no account of balances or deficits on hand at the beginning of the year.

[c] Based on $245,423, the contributions in 1915–16, since figures for contributions received in 1914–15 are not available.

[d] An estimated deficit. It was paid off in the Federation's second year, or first complete fiscal year. The Federation reports that it was a smaller deficit than had been incurred by this organization "annually for several years back."

[e] Per cent cannot be calculated, for total contributions are not known.

[f] In addition the Federation itself had a deficit.

[g] Calculated on the basis of total receipts by the organizations concerned, since the "total contributions under the federation" are known only for 1915–16.

[h] This figure is furnished by the Federation. It is not known on what basis the deficit is calculated.

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5. The Federations' Cost[a]

Federated city	Years	Contributions received by the federation	Cost of the federation office, campaigns, etc.[b]	
			Amounts	Per cents these were of the contributions
Baltimore	1915–16	$156,891	$18,566	11.8
Cincinnati	1916	110,453[c]	12,494[d]	..
Cleveland	1912–13	152,473[e]	17,789	11.7
	1913–14	291,487[e]	29,201	10.2
	1914–15	309,280[e]	32,731	10.5
	1915–16	411,559[e]	32,660	7.9
Dallas	1915–16	29,021	5,481	18.9
Dayton	1914–15	29,854	1,858	6.2
	1915–16	34,030	3,489	10.3
	1916[f]	24,829	2,870	11.6
Denver	1913–14	32,756	4,381	13.4
	1914–15	29,336	3,682	12.5
	1915–16	41,986	12,718	30.3
Elmira	1910–11	14,156	235	1.7
	1911–12	11,786	161	1.4
	Je. 1, '14–Jan. 1, '17	56,052[g]	6,245	11.1
Erie	1915–16	60,676	10,580	17.4
N. Orleans	1914	43,488	3,652	8.4
Oshkosh	1915–16	10,067	100	1.0
S. L. City	1914–15	19,212	1,377	7.2
South Bend	1914–15	22,401	639	2.9
	1915–16	22,437	1,342	6.0

[a] Discussed on pages 36 and 158.

[b] For reasons referred to on page 156, any table of costs such as this one is susceptible of serious misinterpretation. Its figures should be considered only in connection with the footnotes regarding the various federations shown on page 253.

[c] Includes $11,382 received for organizations that do not participate in the central collection of funds. It differs from the contributions received by the affiliated organizations in 1916 through the Federation, as shown in Table 20—$130,576—for the latter figure includes contributions received by the organizations in 1916 out of a balance of $27,671 brought forward from the year 1915.

[d] This is the amount appropriated to the Federation—the Council of Social Agencies. But because this sum was to be expended for the benefit of the 86 organizations in the Council, only 21 of which shared in the joint collection of funds, no percentage comparison is made with the contributions received by the Federation.

[e] See page 253, footnote h, for explanation of this figure.

[f] A fiscal year of but eight months.

[g] This figure exceeds the $47,182 reported on page 141, for the latter covers only the sums turned over to the affiliated organizations.

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6. Estimated Cost of Collection—Federated Cities[a]

Federated city[b]	Years[c]	Estimated cost of the federation's financial work[d]	
		Amount	Per cent that it was of the federation's contributions as shown in Table 5
Denver[e]	3	..	14.5
Dallas	1	$3,421[f]	13.8
Erie[g]	1	6,241	10.3
Cleveland[h]	4	198,234[i]	10.3
Baltimore[j]	1	15,000	9.6
New Orleans[k]	1	3,652	8.4
Elmira[k]	4½	6,641[i]	8.1
Cincinnati	1	9,470[f]	7.8[l]
Dayton[m]	3	6,717[i]	7.6
Salt Lake City[k]	1	1,377	7.2
South Bend[k]	2	1,981[i]	4.4
Oshkosh[k]	1	100	1.0

[a] Discussed on pages 36 and 158.

[b] The St. Joseph Federation, which has just completed its first year, received subscriptions of about $25,000 at a campaign cost of $2,400. If the cost of collecting these and of accounting, etc., is estimated at $60 per month, a total of $3,120 is obtained, giving a rate of 12.5 per cent. About $18,000 is pledged for three years, so the Federation expects a smaller cost of collection in its next two years.

[c] The year or years in each case are those shown in Table 5.

[d] For the Cleveland and Denver federations, where there is considerable "direct" collection, its cost is included in the estimate.

[e] *Denver.* For the first two years shown, $500 has been deducted from the Federation's cost on account of the confidential exchange and the small additional non-financial work in those years. For 1915–16, when non-financial work was much increased, deductions have been made for the cost of the survey, $2,613; for expenditures on behalf of the organizations, for the confidential exchange, and for other purposes, $1,680; and for half of the $3,614 spent for administration. The resulting cost of the Federation's own collections, $13,631 for the three years, or 13.1 per cent, has been raised arbitrarily to 14.5 per cent to allow for the necessarily more expensive methods used by the organizations in their collection of half or more of the total received.

[f] *Dallas and Cincinnati.* The amount stated by the federation in each city to be chargeable to financial work.

[g] *Erie.* To the cost of the campaign, $4,793, has been added one-third of the remaining costs after they have been put on a twelve months' basis.

[h] *Cleveland.* Direct collection is taken into account. If it were no more expensive than federation collection, its inclusion would not increase the per cents shown for the Federation alone; but there is evidence that it is much more expensive. For 1914–15 and 1915–16 the Federation has estimated that only 7.47 and 6.07 per cent respectively of its costs were financial, but that these per cents should be raised to "not over 10.5 per cent" for 1914–15, and "approximately 9.0 per cent" for 1915–16, to include direct collections. No estimates were announced for the first two years, and estimates have therefore been made for them by the writer on the basis which the Federation used for 1914–15, *i. e.*, that the per cent representing *financial* cost—Federation and direct together—would be not over the 10.5 per cent which expressed the *total* cost of the Federation's financial and non-financial work. The four per cents so obtained have been applied to the total contributions for the respective years, giving the estimated total costs.

The figures for Federation contributions shown in Table 5, on which the four per cents used in this estimate are based, are those used by the Federation to compute its cost of collection. They include the considerable amounts which certain contributors, for their convenience, gave each year to non-federated organizations through the Federation as their agent. The Federation exerted no effort to get such contributions and incurred no costs on their behalf. The givers merely wrote in certain amounts for the outside organizations on the Federation subscription blank, while making their designations on this blank for the federated organizations. In 1915–16, $25,208 was thus passed on by the Federation to non-federated organizations.

[i] The total costs in the two or more years indicated by the second column of the table.

[j] *Baltimore.* To the cost of the campaign, $7,351, has been added two-thirds, approximately, of $11,215, the other Federation costs.

[k] No deductions have been made, the assumption being that practically all costs are financial.

See page 254 for remainder of footnotes.

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7. Designators to Federations[a]

Federated city	Increase or decrease in federation "designators" and "direct" contributors[b] in 1915–16[c] over contributors in the year before the federation[d]
Baltimore[e,f]	Inc.; 2 organizations—53.5 and 46.3 per cent
	Dec.; 2 organizations—*62.6*[c] and 53.8 per cent
Cincinnati[f,g]	Inc.; 6 organizations—163.3, 151.3, 116.7, 111.2, 93.2, and 15.8 per cent
	Dec.; 4 organizations—55.9, 55.7, 52.2, and 13.3 per cent
Cleveland[f,h]	Inc.; 5 organizations—66.1, 43.4, 25.0, 25.0, and 19.9 per cent
	Dec.; 9 organizations—52.7, 33.0, 31.4, 20.0, 16.7, 12.4, 11.3, 9.7, and 3.9 per cent
Erie[i]	Inc.; 6 organizations—6325.0,[j] 1658.3,[j] 274.2, 98.2, 61.1, and 28.2 per cent
	Dec.; 5 organizations—*81.1*, 72.3, 37.2, 28.2, and 19.3 per cent
Oshkosh[k]	Dec.; 4 organizations—43.7, *32.4*, 11.0, and 9.1 per cent

[a] Discussed on pages 49 and 175.

[b] In Baltimore and Cincinnati direct contributors are not included. To some extent this causes an overstatement of the per cents of decrease shown for Cincinnati, and an understatement of the per cents of increase; but for Baltimore it has an effect on only one of the figures, the decrease of 62.6 per cent, because the other organizations received practically no direct contributions.

[c] The per cent for the associated charities in each city is shown in italics.

[d] No account is taken in the federation year of those former givers who give entirely to the undesignated fund, in which they understand all organizations share in proportion to their needs.

[e] Information lacking for eight organizations. Comparison is over a two-year period.

[f] Figures are as reported by the organizations themselves, not by the Federation.

[g] Information lacking for ten organizations. Comparison is in some cases over a two-year period.

[h] Information lacking for 42 organizations. Comparison is over a four-year period.

[i] Comparison is over a one-year period. The Federation explains that certain of the former contributors included had given two years previously and not at all in the previous year, and others had given only to some building campaign. On the other hand, some organizations did not report as contributors those who merely paid membership fees, usually $1.00.

[j] This very great per cent of increase and the adjoining one result from the fact that the two organizations, the two local hospitals, had practically no contributors before the Federation was formed. One had twelve and the other but four.

[k] Information lacking for two organizations. Comparison is over a one-year period.

Continuation of foot-notes from page 253, Table 6.

[l] *Cincinnati.* Calculated upon the $110,453 received in contributions by the Federation during the year, as per table on page 252, plus one-half of the $21,714 received in direct contributions by affiliated organizations, this addition being made on the statement of the Federation that about one-half the direct contributions should be regarded as resulting from efforts made by the Federation to assist the organizations in their direct financial work.

[m] *Dayton.* Each year's cost has been reduced by $500 to allow for the part time of one clerk and other costs chargeable to the confidential exchange and to the Federation's non-financial work. The secretary is employed for but half of his time, and almost all of that is needed for financial work.

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8. Contributors in Federated Cities [a]

Federated city [b]	The year before the federation was formed		Under the federation—contributors with their per cents of increase (+) over the year before the federation in *italics*			
	Year	Contributors	First year	Second year	Third year	Fourth year
Baltimore	1913–14 [c]	$3,755	$4,298 [c] [d] [e] *+14.5*	..	..	..
Cincinnati	1914 [f]	3,034	3,929 [g] *+29.5*	..	..	..
Cleveland [h]	1911–12	5,500 [i] [j]	2,948 [d] [e]	$2,869 [e]	$2,987 [e]	$3,838 [e]
Dallas	1915	500 [i]	932 [d] [e] [k] *+86.4*	..	..	..
Dayton	1913–14	500 [i]	1,162 [e] *+132.4*	1,559 [e] *+211.8*	(?)	..
Denver	1912–13	[l]	795 [e]	838 [e]	2,837 [e]	..
Erie	1914–15	2,190	4,055 [d] [e] *+85.2*	..	..	..
New Orleans	1913	(?)	4,571 [d] [e]	..	..	..
Oshkosh	1914–15	380	907 [d] [e] *+138.7*	..	..	..
Richmond, Ind.	1913–14	225 [i]	561 [d] [e] *+149.3*	451 *+100.4*	..	..
St. Joseph	1915–16	300 [i]	1,651 [d] [e] *+450.3*	..	..	..
Salt Lake City	1913–14	(?)	708 [d] [e]	..	..	..
South Bend	1913–14	500 [i]	3,401 [d] [e] *+580.2*	3,490 [d] [e] *+598.0*	(?)	..

[a] Discussed on pages 42 and 194.

[b] Figures are lacking regarding the federation in the omitted cities.

[c] The year 1914–15 was only partially a federated year. The year 1915–16 is regarded here as the "first year of the Federation." The largest of the affiliated organizations in Baltimore, the Federated Charities, reports that it alone had 3,646 contributors in the year before it joined the Federation, whereas only 3,755 are shown above for the entire twelve affiliated organizations. On the other hand, the 4,298 givers recorded for the federation year do not include "probably several thousand" who gave in the postcard and self-denial campaigns, without leaving a record of their names and addresses. Anonymous givers are also excluded. But these 4,298 givers, the Federation further explains, are not strictly limited to the Federation's first complete year, but include all who gave in the preceding year and did not renew. It was undoubtedly by including the two excluded groups or estimating their number that the total of 7,000 givers was obtained to which considerable publicity has been given.

[d] Subscribers.

[e] Direct givers not included.

[f] The year before each organization joined the Federation—usually either 1914 or 1914–15.

[g] Up to Sept. 1, 1916, eight months of the fiscal year. The figure includes 2,901 who gave to the Federation and 1,028 who gave direct. The Federation reports that in the early months of the current year, 1917, it "netted 12,000 contributors."

[h] Because in this Federation the omitted direct givers are so important a proportion of the whole, no percentage comparison is made with the year before the Federation.

[i] Estimated.

[j] Mr. Williams writes: "Later analysis based on 1914–15 reports shows that of this number about 4,000 should be considered as irregular or casual givers."

[k] Covers only the subscriptions obtained in two months, in which the whirlwind campaign took place.

[l] No figures are shown for 1912–13, since the Federation merely changed its form of organization in the following year, which is regarded for this table as the Federation's first year.

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II. ASSOCIATED CHARITIES COMPARED

9. Contributions—Federated Associated Charities[a]

Federated city	"Total contributions under the federation" of the associated charities,[b] with per cents of increase (+) or decrease (−) over the year before the federation in *italics*					
	In the year before the federation		Under the federation			
	Year	Amount	First year	Second year	Third year	Fourth year
Baltimore	1914–15[c]	$102,882[c]	$102,019 *−0.8*[c]	..	..	..
Cincinnati	1914–15	27,810	34,630 *+24.5*	..	..	..
Cleveland	1911–12	51,620	67,280 *+30.3*	$92,514 *+79.2*	$95,269 *+84.6*	$127,486 *+147.0*
Dallas	1915	21,756	25,300 *+16.3*	..	..	..
Dayton	1913–14	[d]	10,624 (?)	11,801 (?)	9,879[e] (?)	..
Denver	1912–13[f]	6,397	6,568 *+2.7*	8,874 *+38.7*	9,341 *+46.0*	..
Elmira	1909–10	1,521	1,700 *+11.8*	2,900 *+90.7*	3,156 *+107.5*	3,150[g] *+107.1*
Erie	1914–15	14,425[h]	12,016 *−16.7*	..	..	..
New Orleans	1913	11,799	13,635 *+15.6*	..	..	..
Oshkosh	1914–15	2,815[i]	2,545 *−9.6*	..	..	..
Salt Lake City	1913–14	[j]	4,239 (?)	..	..	..
South Bend	1913–14	2,511	5,475 *+118.0*	4,411 *+75.7*	..	..
Average of the per cents of increase[k]	..	..	+19.5	+71.1	+79.4	+127.0

[a] Discussed on pages 32 and 114.

[b] The Richmond Associated Charities is omitted because of its almost complete identity with the Federation, as described on page 149.

[c] For seven months of this year the society was a part of the Federation.

[d] Figures are not comparable, due to the fact that the Red Cross took charge of the Associated Charities' work at that time because of a flood.

[e] During the fiscal year of eight months $6,586 was received. The above figure is an arbitrary estimate for twelve months.

[f] See page 249, footnote f.

[g] Fifth year, $3,590; sixth year, $2,716, or $184 less than had been received four years previously.

[h] Includes $4,951 from entertainments.

[i] Includes $246 received from an entertainment.

[j] The Charity Organization Society had but four and one-half months of active existence prior to the Federation.

[k] Calculated as follows: the sum of the per cents of decrease was subtracted from the sum of the per cents of increase and the difference divided by the total number of per cents.

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10. Contributions—Unfederated Associated Charities[a]

Unfederated city	"Total contributions under the federation" of the associated charities, with per cents of increase (+) or decrease (−) over 1911–12 in *italics*				
	1911–12	1912–13	1913–14	1914–15	1915–16[b]
Baltimore	$70,394	$65,032 *−7.6*	$68,869 *−2.2*	[e]	[e]
Boston	58,826	65,390 *+11.2*	72,937 *+24.0*	$88,044 *+49.7*	$82,200 *+39.7*
Brooklyn	101,344	109,170 *+7.7*	135,857 *+34.1*	233,199 *+130.1*	200,497 *+97.8*
Buffalo	42,805	36,187 *−15.5*	49,159 *+14.8*	51,641 *+20.6*	30,543 *−28.6*
Cambridge	7,109	7,830 *+10.1*	9,324 *+31.2*	10,807 *+52.0*	9,655 *+35.8*
Chicago	253,219	235,923 *−6.8*	259,442 *+2.5*	358,379 *+41.5*	268,373 *+6.0*
Columbus	9,968	14,815[d] *+48.6*	12,404[d] *+24.4*	10,450 *+4.8*	10,984 *+10.2*
Elizabeth	3,040	4,945 *+62.7*	5,175 *+70.2*	7,511 *+147.1*	6,038 *+98.6*
Grand Rapids	7,163	9,132 *+27.5*	14,352 *+100.4*	12,681 *+77.0*	12,784 *+78.5*
Hartford	9,348	9,405 *+0.6*	10,500 *+12.3*	10,760 *+15.1*	10,807 *+15.6*
Louisville	14,229	13,604 *−4.4*	11,644 *−18.2*	28,201 *+98.2*	22,931 *+61.2*
Memphis	15,519	19,741 *+27.2*	23,875 *+53.8*	31,019 *+99.9*	34,694 *+123.6*
Milwaukee	24,466	20,077 *−17.9*	30,835 *+26.0*	32,255 *+31.8*	26,225 *+7.2*
Minneapolis	62,232	74,152 *+19.2*	87,988 *+41.4*	117,847 *+89.4*	93,537[e] *+50.3*
Newark	18,164	19,246 *+6.0*	28,614 *+57.5*	26,861 *+47.9*	26,028 *+43.3*
New York	175,426	151,181 *−13.8*	182,760 *+4.2*	288,546 *+64.5*	216,051 *+23.2*
Orange	9,277	10,935 *+17.9*	10,518 *+13.4*	12,922 *+39.3*	10,246 *+10.4*
Philadelphia	83,545	72,241 *−13.5*	77,493 *−7.2*	134,543 *+61.0*	136,931 *+63.9*
Pittsburgh	33,468	37,744 *+12.8*	37,960 *+13.4*	38,806 *+15.9*	39,277 *+17.4*
Portland, Me.	3,568	3,330 *−6.7*	3,585 *−0.5*	5,000 *+40.1*	5,016 *+40.6*
Providence	15,859	18,739 *+18.2*	23,080 *+45.5*	33,811 *+113.2*	31,872 *+101.0*
Rochester	14,321	20,048 *+40.0*	23,825 *+66.4*	31,875 *+122.6*	31,000 *+116.5*
St. Louis	48,117	35,310 *−26.6*	50,661 *+5.3*	97,282 *+102.2*	63,488 *+31.9*
Seattle	4,537	5,399 *+19.0*	8,228 *+81.4*	5,252 *+15.8*	9,517 *+109.8*
Stamford	4,601	5,732 *+24.6*	6,352 *+38.1*	8,108 *+76.2*	9,452 *+105.4*
Washington	45,053	46,448 *+3.1*	47,589 *+5.6*	46,717 *+3.7*	50,618 *+12.4*
Waterbury	6,953	8,589 *+23.5*	10,261 *+47.6*	14,347 *+106.3*	10,085 *+45.0*

[a] Discussed on pages 32 and 114.

[b] The average of the per cents of increase and the one per cent of decrease shown in 1915–16 as compared with 1911–12 is 50.6 per cent for the four-year period—equivalent to an increase of 10.8 per cent per year. In calculating this average, the one per cent of decrease was deducted from the total of the per cents of increase, and the difference divided by the number of per cents thus averaged.

[c] For seven months of 1914–15 and for all of 1915–16 the society was a part of the Federation.

[d] In the years 1912–13 and 1913–14 the society's normal contributions were much increased by sums which came to it from the Red Cross for disaster relief it undertook.

[e] The figures cover a fiscal year of but nine months. The secretary of the society believes that figures for 12 months would show an increase over the preceding year.

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11. The Baltimore Federated Charities—Certain Contributions[a]

Items	Persons	Amount
Givers to the Baltimore Federated Charities in the year before the Federation was formed[b] who subscribed in the Federation's first year[b] designating—		
Increased amounts	171	$5,217
Decreased "	130	2,724
The same "	206	c
Total	507	c
New subscribers who made designations to the Federated Charities	127	$1,076
Former lapsed contributors who made designations to the Federated Charities	28	278
Net increase	. . .	$3,847

[a] Discussed on page 126.

[b] The "year before the Federation was formed" here referred to is the year 1914–15—really a partial Federation year—and the year 1915–16 is "the Federation's first year."

[c] Information lacking.

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12. The Denver Social Service Bureau and Selected Associated Charities—Contributions[a]

City[b]	Population, 1914	Contributions[c] received by the associated charities in 1914–15[d]
Denver	245,523	$8,874
Providence	245,090	33,811
Rochester	241,518	31,875
Louisville	235,114	28,201
Columbus, O.	204,567	10,450
Memphis	143,231	31,009
Grand Rapids	123,227	12,611
Cambridge, Mass.	110,357	10,807
Hartford	107,038	10,760
Orange	90,556	12,922
Waterbury	82,517	14,347
Elizabeth, N. J.	82,411	7,511
Portland, Me.	62,161	5,000
Stamford	29,032	8,108

[a] Discussed on pages 35 and 138.

[b] For comparison with Denver all cities shown above on page 257 are included whose population in 1914 was smaller than that of Denver.

[c] The comparison is crude, for it takes no account of the varying scope of work certain of these societies have, nor of the varying conditions which make necessary large relief funds in the hands of some societies and only small relief funds in the hands of others. It is believed, however, that no more refined comparison is necessary in view of the almost unvarying testimony of the figures here shown. For the Denver Social Service Bureau direct contributions are included.

[d] The year 1914–15 was used rather than the year 1915, for the census estimates for 1915–16 were not available when this table was prepared.

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13. Deficits Incurred in 1915–16—Associated Charities[a]

City	Deficit incurred by the associated charities in 1915–16	
	Amount	Per cent of the organization's total contributions to which it was equivalent
Federated cities[b]		
Cleveland	$42,634[c]	33.4[c]
Erie	1,759[d]	14.6[d]
Unfederated cities		
St. Louis	13,882	21.9
Chicago	47,123[e]	17.6[e]
Boston	6,313[e]	7.7[e]
Newark	1,872	7.2
Cambridge	435	4.5
Orange, N. J.	433	4.2
Stamford, Conn.	341	3.6
Elizabeth	138	2.3
Providence	574	1.8

[a] Discussed on pages 32 and 114.

[b] The societies in the nine other federated cities report that they incurred no deficits in 1915–16.

[c] This deficit is as reported by the Associated Charities itself. It differs from that shown in the Federation's report, for the latter takes account of money received in 1915–16 on account of the preceding year's deficit. The $42,634 here shown has been reduced in course of the present fiscal year, 1916–17, by $14,600 applied on the deficit of 1915–16.

[d] The deficit shown for the Associated Charities in the Federation's report is $3,695, because unpaid bills are included to the amount of $1,936. These have been excluded for the sake of uniformity since in most other deficits reported they have not been taken into account. With them included the Erie Associated Charities' deficit was equivalent to 30.7 per cent of its contributions.

[e] In the Boston and Chicago societies, and possibly in certain of the others, the deficit represents a loan on the security of the societies' unrestricted funds. In Chicago the securities had been purchased originally with funds accumulated from contributions and could have been sold at any time—to avoid a deficit in the first instance, or to wipe it out after it had been incurred. The Directors chose, however, to borrow on these securities.

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14. Accumulated Deficits, 1915–16—Associated Charities[a]

City[b]	Accumulated deficit, 1915–16	
	Amount[c]	Per cent of the organization's total contributions in 1915–16 to which it was equivalent
Cleveland	$70,483[d]	55.3
Chicago	84,100[c]	31.3[c]
Cambridge	2,771	28.7
St. Louis	17,568	27.7
Memphis	9,000	25.9
Boston	19,828[c]	24.1[c]
Philadelphia	21,900	16.0
Portland, Me.	636	12.7
Newark	2,392	9.2
Providence	1,600	5.0
Orange	443	4.3
Stamford	341	3.6
Elizabeth	138	2.3

[a] Discussed on page 32.

[b] Included with Cleveland for the sake of comparison are all unfederated cities in which the associated charities had accumulated unpaid deficits at the end of the year 1915–16. No deficits are considered that were incurred previous to 1912–13. It is probable that the Grand Rapids society also had an accumulated deficit, and possibly also a deficit incurred in 1915–16, but the amount of this deficit, in accordance with the Committee's definition, has not been obtainable.

[c] See page 260, footnote e.

[d] See page 260, footnote c.

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III. THE FEDERATIONS SEPARATELY

15. The Cleveland Federation—Contributions[a]

Year	Contributions					Each year's per cent of increase over its preceding year
	Received by the Federation for itself and its affiliated organizations[b]		Received direct by the affiliated organizations		Total	
	Amount[b]	Organizations in Federation	Amount	Organizations reporting		
Before the Federation						
1911–12	..	..	$281,584	41	$281,584[c]	[c]
Under the Federation						
1912–13	$134,811[d]	55	294,369[e]	55	429,180[e]	[c]
1913–14	277,628	55	199,555	54	477,183[f]	11.2[f]
1914–15	295,394	56	184,789	53	480,183[f]	0.6[f]
1915–16	386,351	56	157,305	52	543,656[f]	13.2[f]

[a] Discussed on page 117.

[b] Contributions received for non-federated organizations have been excluded; also contributions for the community Christmas expenses.

[c] Comparison is impossible between the year before the Federation and the Federation's first year because of the difference in the number of organizations included. Therefore, no percentage of increase has been calculated. In the Cleveland figures shown on page 248, the two years are put on a more comparable basis. A 31.4 per cent increase is shown.

[d] Received during a fiscal year of but seven months.

[e] Received during a fiscal year of 12 months.

[f] The four Federation years are somewhat incomparable through the failure of certain organizations in certain years, one in 1913–14, three in 1914–15, and four in 1915–16, to report their direct contributions—at least in such form that the Federation could use them in making up its statement, and through the fact that two organizations withdrew from the Federation in 1914–15 and another joined it in that year. If the contributions shown in any year for these seven organizations are deducted, the per cents of increase in the second, third, and fourth Federation years become respectively 10.1, 5.5, and 18.8 per cent instead of 11.2, 0.6, and 13.2, as shown above. The per cent of increase shown for the second year, 10.1, is still undoubtedly too high, by an unascertainable amount, due to the fact that the Federation's first year covered but seven months, while the second covered 12 months.

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16. The Cleveland Federation—Increased Contributions by "Federated Subscribers"[a]

Year	"Federated subscribers" in successive years, showing the amounts the same persons subscribed—		Net increase of the specified year over the preceding year	
	In the specified year	In the preceding year	Amount	Per cent
1912–13[b]	$199,614	$126,735	$72,879	57.5
1913–14	207,208	186,734	20,474	11.0
1914–15	253,990	250,404	3,586	1.4
1915–16	303,481	282,727	20,754	7.3

17. The Cleveland Federation—Increased Contributions by Former "Direct Contributors"[a]

Year	Subscribed to the Cleveland Federation in the specified year by those who gave "direct" in the preceding year	Largest total amount given direct by them to the same organizations in any preceding year[c]	Net increase of the specified year over the preceding year[d]	
			Amount	Per cent
1912–13[e]	..	..	..	..
1913–14	$29,085	e	e	e
1914–15	11,990	$7,077	$4,913	69.4
1915–16	8,992	3,639	5,353	147.1

[a] Discussed on p. 117.

[b] From the standpoint of this first Federation year, "the preceding year" was before the Federation was formed. The persons considered are therefore those who gave to one or more of the organizations which later formed the Federation.

[c] In any preceding year except 1912–13, for which year the record is not complete.

[d] The increase is somewhat exaggerated because the comparison is between amounts given in the earlier year and amounts merely subscribed in the later year. There is always a shrinkage because of uncollectable subscriptions, and even when they are paid the money is frequently not received during the year in which the subscriptions are due. Moreover, the large increases shown may be somewhat due to the fact that, because of incomplete reporting of direct gifts by the affiliated organizations in the earlier federation year, the total gifts for that year are understated. For the later year, when all gifts shown in the table were made to the Federation, the record is complete.

[e] Record not kept.

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18. The Cleveland Federation—Certain Deficits [a]

Affiliated organization [b]	Years	Deficits	
		Amounts	Per cents of the organizations' total receipts
Associated Charities [c]	1914–15	$39,609	34.4
" " [c]	1915–16	28,845	20.2
Eliza Jennings Home	1912–13	1,683	25.2
German Hospital	1915–16	16,870	41.0
St. Ann's Maternity Hospital	1913–14	10,209	21.4
Florence Crittenton Home	1914–15	1,750	133.5 [d]
Boy Scouts	1915–16	5,312	42.1
St. Vincent's Orphan Asylum	1915–16	7,887	24.6
Deaconess Home	1915–16	1,139	23.6
Sunbeam Association	1915–16	2,234	23.5

[a] Discussed on page 118.

[b] Of the 26 deficits of $1,000 or more that were incurred in any one of the Federation's four years, the 10 shown for the nine organizations listed here were in each case equivalent to 20 per cent or over of the organization's receipts from all sources.

[c] The deficit figures from which these per cents for the Associated Charities are calculated are those reported in the Federation's annual financial statements. They are confusing because reductions of a given year's deficit in the succeeding year are not uniformly treated. Thus the deficit of $39,609 reported for 1914–15 was reduced in course of the next year to $19,002. On the other hand, the deficit incurred in 1915–16 was $42,634, but was reduced to the $28,845 shown in the Federation's report by appropriations in the year 1916–17. This is a reduction of $13,789, whereas the reduction reported by the Associated Charities (p. 33), for an unexplained reason, is $14,600.

[d] It is believed there must be some error in the figures on the basis of which this per cent is calculated. The table has been submitted to the Federation, but no comment on it has been received.

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19. The Baltimore Federation—Contributions[a]

Organization[b]	Before the Federation (1913–14)—total contributions	Under the Federation (1915–16)—total contributions	
		Amount	Per cent of increase over 1913–14
Babies' Milk Fund Ass'n	$8,472	$15,503	+83.0
Federated Charities	68,853[c]	102,019[d]	+48.2
Ass'n for Prevention and Relief of Tuberculosis	3,901	5,039	+29.2
Instructive Visiting Nurse Ass'n	8,619	11,026	+27.9
Henry Watson Children's Aid Society	18,430	22,271	+20.8
Social Service Corporation	45,540	46,240[d]	+1.5
Friendly Inn Ass'n	1,918	1,944	+1.4
Prisoners' Aid Ass'n	9,087	5,419	−40.4
Total	$164,820	$209,461[e]	+27.1[e]

[a] Discussed on page 126.

[b] The eight organizations here shown are the only ones for which figures are available for the earlier year.

[c] This figure, furnished by the Federation, differs slightly for an unexplained reason from the figure reported by the society for that year, as shown on page 257.

[d] Includes contributions received direct.

[e] The total contributions here shown include only the amounts the organizations received. The amount the Federation received for its own expenses is not included.

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20. The Cincinnati Federation—Contributions[a]

Year	Contributions[b] received by the 21 now affiliated organizations	
1914, 1915, or 1914–15[c]		$118,015[d]
1916		
Through the Federation	$130,576[e]	
Direct	21,714	152,290[f]
Increase in 1916		$34,275

[a] Discussed on page 128.

[b] The figures for 1916 represent contributions only. The receipts of a slightly different character that are included in the figures for the earlier year—a total of $24,755—are those from the sale of Christmas seals, from a tag day, from factory workers, from a toothbrush campaign, from a pencil campaign, and from a concert. All of these except the last—which amounted to but $1,067—may apparently be regarded as contributions.

[c] The year for which each organization's contributions are used is the year before it joined the Federation. For some it is 1914, for others 1915, and for one 1914–15.

[d] Includes $2,000 from a special fund.

[e] From the $138,441 allotted to the affiliated organizations by the Federation on their budgets for 1916, there has been excluded $7,865 allotted to organizations from money borrowed by the Federation.

[f] Includes $2,665 not given to the organizations but expended for them in the campaign.

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21. The Cincinnati Federation—Contributions of Each Organization[a]

Affiliated organization	Contributions[b]		
	Before the Federation was formed (1914, 1915, or 1914–15)[c]	Under the Federation (1916)[d]	Per cent of increase (+) or decrease (−) under the Federation
Walnut Hills Day Nursery	$136	$533	+291.9
Colored Girls' Home	1,212	4,182	+245.0
Consumers' League	622	1,806	+190.4
Ass'n for the Welfare of the Blind	1,798	5,143	+186.0
Y. M. C. A. (Colored Branch)	1,500	2,968	+97.9
Immigrant Welfare Comm.	2,410	4,692	+94.7
Juvenile Protective Ass'n	1,976	3,409	+72.5
Y. M. C. A. (Central Branch)	15,202	25,365	+66.9
Legal Aid Society	982	1,597	+62.6
Bethany Home	2,292	3,519	+53.5
Polyclinic	1,141	1,710	+49.9
Hospital Social Service	1,654	2,452	+48.2
Y. M. C. A. (Univ. Branch)	1,000	1,481	+48.1
Council of Social Agencies	10,000	12,655	+26.6
Associated Charities	27,810	34,630	+24.5
Children's Clinic	6,306	7,785	+23.5
Visiting Nurse Ass'n	5,238	6,354	+21.3
Smoke Abatement League	4,448	4,919	+10.6
Anti-Tuberculosis League	23,301	24,657	+5.8
Vocational Guidance Bureau	5,250	5,510	+5.0
Free Dental Clinic	3,731	1,825	−51.1
Total	$118,009[e]	$157,192[f]	+30.2

[a] Discussed on page 128.

[b] Regarding certain inclusions of a slightly different character, see page 266, footnote b.

[c] See page 266, footnote c.

[d] Includes direct contributions.

[e] The difference of $6.00 between this figure and that shown on page 266, $118,015, represents odd cents omitted in the above column.

[f] The difference between this figure and that shown on page 266, $152,290, is accounted for by the exclusion here of odd cents ($11.00), campaign expenses ($2,665), and $287 received by an unidentifiable organization; and the inclusion here of receipts from borrowed money ($7,865).

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22. The Denver Federation—Contributions[a]

Year	Contributions	Year	Contributions
1887–1888	b	1902–1903	$13,568
1888–1889	b	1903–1904	13,290
1889–1890	$19,991	1904–1905	18,276
1890–1891	24,530	1905–1906	18,533
1891–1892	b	1906–1907	18,802
1892–1893	10,524	1907–1908	17,382
1893–1894	9,928	1908–1909	18,493
1894–1895	11,572	1909–1910	27,519
1895–1896	15,319	1910–1911	25,726
1896–1897	12,528	1911–1912	25,396
1897–1898	13,314	1912–1913	21,191
1898–1899	14,131	1913–1914	32,756
1899–1900	14,028	1914–1915	29,336
1900–1901	17,298	1915–1916	41,986
1901–1902	18,363	..	..

[a] Discussed on pages 35 and 132.

[b] Information lacking.

23. The Denver Federation—Certain Deficits[a]

Affiliated organization[b]	Deficits		
	Years	Amounts	Per cents of the organizations' total receipts to which they were equivalent
Home of the Good Shepherd	1913–14	$5,184	42.0
Mount St. Vincent's Home	" "	2,971	27.6
Queen of Heaven Orphanage	" "	5,000	81.4
" " " "	1914–15	4,463[c]	66.2
" " " "	1915–16	2,932[d]	34.3
St. Clara's Orphanage	1913–14	4,576	40.8
St. Rosa's Home	1913–14	2,128	25.8
Humane Society	1914–15	1,137	54.9

[a] Discussed on page 133.

[b] Fourteen deficits of $1,000 or more were incurred during these years, but only the eight shown for the six organizations listed here were equivalent in each case to 20 per cent or over of the organization's receipts.

[c] This deficit is partly due to the fact that in calculating it $3,000 "borrowed from Mother House" is not included in the receipts.

[d] This deficit is more than accounted for by the fact that in calculating it $4,300 "borrowed from Mother House" is not included in the receipts.

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24. The Erie Federation—Persons Who Increased or Decreased Their Subscriptions[a]

Persons who, in the first Federation year, made subscriptions of—	Persons whose subscriptions in the first Federation year,[b] as compared with their contributions[b] to the same organizations in the preceding year, were for—						Total persons	
	Increased amounts		Decreased amounts		The same amounts			
	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent
Less than $5	86	56.2	21	13.7	46	30.1	153	100
$5 and less than $25	485	79.0	63	10.3	66	10.7	614	100
$25 or over	340	89.9	24	6.4	14	3.7	378	100
Total	911	79.6	108	9.4	126	11.0	1145	100

25. The Erie Federation—Net Increase in Amounts Subscribed[a]

The Federation's first year		The preceding year—amount each group subscribed	Net increase in the Federation's first year over the preceding year	
Persons who made subscriptions of—	Amount each group subscribed		Amount	Per cent
Less than $5	$276	$232	$44	19.0
$5 and less than $25	6,355	3,009	3,346	111.2
$25 and over	39,140	16,077	23,063	143.5
Total	$45,771	$19,318	$26,453	136.9

[a] Discussed on pages 24 and 144.

[b] For the Federation's first year the figures relate to subscriptions. For the previous year they relate to contributions. To this probably slight extent the two years are incomparable. So far as reported to the Committee, no figures of this sort have been prepared by any other federation.

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26. The Erie Federation—New and Renewed Subscriptions [a]

Subscribers in the Federation's first year who—	Number in each group	Subscribed to the Federation in its first year, 1915–16	
		Amount	Amount per person
Gave something in the preceding year	1,145	$45,771	$39.97
" *nothing* " " " "	2,910	20,553	7.06
Total	4,055	$66,324	$16.36

[a] Discussed on page 145.

27. The Erie Federation—Contributions of Each Organization [a]

Affiliated organization	The year before the Federation—received in contributions, from entertainments, etc.	The Federation's first year—received through the Federation and "direct"	
		Amount	Per cent increase (+) or decrease (−) over preceding year
Hamot Hospital	$172	$11,712	+6,709.3 [b]
Home for Friendless	1,342	6,731	+401.6
St. Vincent's Hospital	2,048	5,767	+181.6
Elmwood Home	889	2,205	+148.0
Anti-tuberculosis Society	2,207	2,840	+28.7
Infants' Home	3,827	4,703	+22.9
Florence Crittenton Home	1,324	1,481	+11.9
Boys' Club	2,912	2,935	+0.8
Visiting Nurse Ass'n	4,148	3,885	−6.3
Associated Charities	14,425	12,016	−16.7
Humane Society	1,906	1,368	−28.2
Total	$35,200 [c]	$55,643	+58.1

[a] Discussed on page 145.

[b] This very unusual increase is explained by the hospital to be due to the fact that for several years it had made no public solicitation for funds, and had therefore collected very little.

[c] Cents omitted, $5.99.

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28. The Erie Federation—Designations[a]

Organization[b]	Contributions during the year before the Federation (1914–15)	Amounts designated in subscriptions under the Federation (1915–16)
First group		
Associated Charities	$9,474	$2,090
Visiting Nurse Assn.	3,560	1,317
Boys' Club	1,733	905
Anti-Tuberculosis Assn.	1,192	823
Second group		
Home for Friendless	1,089	2,216
Infants' Home	1,012	1,617
Elmwood Home[b]	*889*	*684*
Crittenton Home	790	900
Humane Society[b]	*530*	*349*
Hamot Hospital	173	5,590
St. Vincent's Hospital	60	1,620

[a] Discussed on page 104.

[b] All in the first group—the ones having the larger contributions in the year before the Federation—had decreased amounts designated to them in the Federation's first year; all in the second group, except the two shown in italics, had increased amounts designated.

29. The Elmira Federation—Contributions[a]

Affiliated organization	Received from the Federation		Per cent of increase (+) or decrease (−) in 1915–16 over 1910–11
	1910–11	1915–16	
Visiting Nurse Dept.	$525	$1,885	+259.0
Orphans' Home	500	1,600	+220.0
Industrial School	2,160	3,984	+84.4
Humane Societies	900	1,521	+69.0
Social Service Dept.	1,700	2,716	+59.8
Home for Aged	4,350	4,395	+1.0
H. L. Bullock Training School	1,300	730	−43.8
Total	$11,435	$16,831	+47.2

[a] Discussed on page 141.

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30. The Oshkosh, Wis., Federation—Contributions[a]

Affiliated organization	The year before the Federation (1914–15)—received in contributions, from entertainments, etc.	The Federation's first year (1915–16)	
		Received in contributions	Per cent of increase (+) or decrease (−) over the preceding year
Girls' Club	$808	$1,400	+73.3
Ladies' Benevolent Society	2,087	2,768	+32.6
Union Church Club	1,946	2,353	+20.9
Mercy Circle	500 (est.)	500	..
Charity Circle	500 (est.)	500	..
Associated Charities	2,815	2,545	−9.6

[a] Discussed on page 148.

31. The Richmond, Ind., Federation—Contributions[a]

Year	Received in contributions, from entertainments, etc.		
	By the organizations direct	By the Federation	Total
1913–14 Before the Federation	$3,774	..	$3,774
1914–15 Under the Federation	1,117	$5,918	7,035
1915–16 " " "	3,140	4,567[b]	7,707

[a] Discussed on page 149.

[b] Entirely contributions. There were no receipts by the Federation itself in 1915–16 from entertainments, etc.

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APPENDIX III

CENTRAL COUNCILS

THE aims and accomplishments of central councils are described in a paper presented by J. J. O'Connor at the National Conference of Charities and Correction in 1913. Again at the Conference of 1916, C. M. Hubbard, secretary of the St. Louis Provident Association, presented a paper[1] which discussed the efforts made by such councils in the direction of standardization. To assist in the preparation of the latter paper, Mr. Hubbard obtained letters from the twelve central councils then in existence. From these sources, supplemented by direct correspondence, the facts have been gathered that are shown in the following paragraphs. Each council's community work is described first and then the steps it has taken, if any, in the direction of standardization.

Chicago

1. Took steps to influence public opinion on questions of community-wide interest. For example, in 1915 it assisted in formulating and putting through a plan to unite all county social service agencies under one bureau.

2. Took steps to check or further legislation in the city council. For example, in 1915, as a result of its efforts, a resolution which permitted a tag day for widows was repealed.

3. The Council has not attempted to formulate standards directly and in detail for societies, but through discussions, committee meetings, and case conferences which have been brought about by the Council, much has been done to promote better methods and better standards.

Columbus, O.

1. Studied the Juvenile Court and the truancy departments of the schools; improved procedure resulted; also the appointment

[1] See "Proceedings," page 326.

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of an additional truant officer and a more complete use of the confidential exchange.

2. Investigated the County Children's Home. Through co-operation with the State Board, higher standards of work were brought about.

3. Investigated the Hare Orphans' Home. Important changes in its methods of work resulted. Made a study of the County Penitentiary, as a result of which a law was passed providing for the purchase of a farm site; also studied the State Penitentiary, city contagious disease hospitals, dispensaries and medical and dental inspection of schools.

4. Conducted a successful campaign for the establishment of a city hospital for contagious cases.

Mr. O'Connor reported that this city and St. Louis have planned a social chart. The Columbus chart shows under the various heads all existing and prospective agencies. Thirty-seven activities are listed to which the Council believes it should give attention. This Council's efforts at standardization have been chiefly directed toward public institutions not included in its membership. Recently, however, it has organized a conference for the study of the social settlement problems. Facts as to existing methods are being gathered on uniform blanks. The secretary writes that "the standards of the private organizations have undoubtedly been improved through discussions relative to methods of work and particularly regarding the importance of using the confidential exchange."

Milwaukee[1] (where a social worker has been employed on half time as secretary of the Council).

1. Created two new agencies for fields inadequately covered—the Juvenile Protective Association (1914) and the Legal Aid Society (1916).

2. Promoted the reorganization of the Associated Charities (1910).

3. Established the Confidential Registration Bureau in the office of the Associated Charities (1912).

4. Promoted favorable vote on the referendum for social centers in the public school buildings.

[1] A secretary is now employed on full time.

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5. Promoted an increase in the number of inspectors in the Health Department.

6. Promoted the making of repairs and reconstruction of the old isolation hospitals to render them less dangerous.

7. Promoted the appointment of a County Probation Officer for non-support and abandonment cases.

8. Promoted appropriation from the Legislature for options on sites for a reformatory for women.

9. Promoted amendments to the child labor laws.

10. Promoted laws regarding women's work, regulation of nurses, disposal of sputum in factories.

11. Promoted an amendment to the Adult Probation Law and a child placing license law.

12. Promoted the Institute of Municipal and Social Service in 1911, lectures by qualified people in 1912, and the Social Service Institute in 1913.

13. Published a directory of social service organizations.

14. In the Council's seventh year steps were taken "with a distinct aim to create and improve standards." In addition to a Committee on Standardization which arranged for conferences of all field workers, officials of boarding homes for girls, hospital social service workers, etc., the following special committees were appointed, representing the societies and departments doing the allied kinds of work:

Courts and legislation	Feeble-mindedness
The boy problem	Illegitimacy
Children's code	Wage-earning women
Dependency	Public health

15. The Committee on the boy problem is studying the work done by each of the fifteen organizations represented, with the object of closer co-operation. Members also submit problems in case work for consideration, and thus standards are being formulated for certain types of case treatment.

16. The Committee on illegitimacy is making a study of all illegitimates born during 1916 who have come under the care of the fourteen agencies represented. The methods and standards were found to vary widely. The secretary writes: "We feel confident that this study will raise standards."

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17. The Committee on dependency has studied family budgets, and has published a budget adapted to Milwaukee. Efforts are being made to establish co-operation between the Juvenile Court and other social agencies.

The secretary writes that standardization is "a slow process of education of workers and board members."

New Britain

1. Arranged for a child welfare exhibit.

2. Obtained better garbage collection and improved housing conditions.

3. Studied local conditions. The findings of its committees have been published and definite recommendations sent to the City Council, the Board of Commissioners, the Public Library, the Board of Public Safety, the Endorsements Committee, etc.

4. Brought together representatives of widely separated organizations who "would not have come together in any other way."

This Council is no longer in existence, its place being taken by a "social workers' conference," composed of the salaried social workers of the city. Standardization has been an informal result of the discussions arranged for at these conferences. Each month family problems are presented in which a number of different organizations are interested. The secretary writes: "Invariably we work out from the individual to the group and from the group to the civic needs." She adds: "This does not sound like a very high aim or a wonderful ideal, but it is accomplishing the results that we were seeking—namely, closer and more cordial relations between the paid workers of the city, a better understanding among them of the work that each is trying to accomplish, and greater solidarity." Moreover, "It is becoming a factor in the work of this city."

Pittsburgh

1. Undertook to foster co-operation between nursing and dispensary forces.

2. Drafted model legislation (which was enacted) with reference to desertion and non-support.

3. Established a provident savings bank.

4. Organized a children's bureau.

5. Organized a health conference which led directly to the

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establishment of medical social service and to efforts to check the abuse of free medical service.

6. Organized a Western Pennsylvania conference on the care of dependent children, which resulted in practical improvements in child caring work.

7. Attempted, but failed, to have a municipal lodging house established.

8. Furnished a meeting-ground for the discussion of common interests and problems—the Council's "most important achievement."

The only efforts at standardization have been informal results of the Council's discussions of common problems. By way of illustrating the methods used, the secretary tells of steps taken to bring about co-operation among the 68 nurses of different kinds, among whom there was no working agreement as to territory, interrelation of specialized nursing work, etc. A speaker, thoroughly familiar with the best methods of nursing, was brought from another city to tell of the methods followed there. Three local speakers followed her and referred to the lack of co-ordination in Pittsburgh. A resolution was later adopted recommending that the Department of Health call a meeting of nursing agencies for the purpose of working out better plans. At that meeting four-fifths of the nurses of the city were present, as well as several of the managers of the nursing associations.

Providence

1. Considered the proposed State Detention Home for Juvenile Delinquents. The plan was disapproved after a study of the situation by a committee and the printing of its report.

2. Considered the question of state supervision of private institutions having the care of children.

3. Held a conference, on invitation, with representatives of a day nursery which was considering giving up its work. This resulted in an investigation of the families whose children were receiving day nursery care, from which it was concluded that the nursery could be closed without causing hardship.

The Providence Council (called a League) was organized in October, 1915, and has not discussed standards so far, thinking it best at first to win confidence. Nevertheless, there have been

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discussions regarding institutional care and the standards of placing out. The secretary writes that it "is doing us all good and while we are going slowly so as to avoid antagonisms as far as possible, I feel sure we are broadening our interests and making for a more intelligent understanding of the needs of the community."

Rochester

The Council's community work consisted in discussions of social problems, including the following:

1. The unemployment problem and how to meet it.
2. Changes in the city's departments to be brought about through co-operation with the local Bureau of Municipal Research.
3. A child helping program for the city.
4. Protection of injured workmen.
5. Remedial loans.

The desirability of uniform standards, uniform accounting, etc., is emphasized in Council discussions, but standardization has been accomplished only in an informal way. The secretary writes:

"I am certain that the various representatives have gone back from Council meetings to their different societies with a willingness to raise their standards, respectively, but we have never tried to enforce any standard upon our affiliated agencies." An illustration is given of the adoption of higher standards by one of the societies.

St. Louis

1. Made definite recommendations through its standing committees regarding civic matters; proposed state and municipal legislation, and co-operated in efforts made in this field.
2. Promoted the organization of the confidential exchange.
3. Instrumental in obtaining Saturday half-holidays in department stores, in securing better tenement houses and in establishing a municipal lodging house.

The St. Louis Council has set itself directly to the task of formulating standards. Special committees have been appointed, each representing a group of societies whose work was naturally affiliated—a children's group, a day nursery group, etc. Comprehensive questionnaires were prepared and filled out. Tentative standards were formulated by the chairman of each committee, revised by the committee itself, further revised by the executive committee of the Council, and later by the Council itself. The

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work began in 1913 and has progressed slowly; only one set of standards was formulated and adopted in the first year. A second set was adopted in the second year. During the current year standards have been adopted for ten additional groups. During the past summer Francis H. McLean, secretary of the American Association for Organizing Charity, was employed by the Council for five or six weeks to make a critical report upon the several societies with reference to the standards of work, and to assist in formulating recommendations. For a fuller statement, see an article by Mr. McLean in the *Survey* for June 2, 1917.

Seattle

1. Acted as the local committee for the National Conference of Charities and Correction in 1913.
2. Organized a child welfare exhibit.
3. Conducted immigration and unemployment inquiries.
4. Operated a hotel for the unemployed in 1914–15.
5. Conducted a summer camp in 1916.

Nothing has been done toward the formulation or improvement of standards of work.

Springfield, Mass.

Problems of general concern have been considered, and recommendations made—such problems as

1. The establishment of a free dental clinic.
2. Recreation for girls.
3. Vocational guidance.
4. New work to be undertaken by any organization.
5. Methods for increasing the efficiency of work already carried on.

Mr. O'Connor wrote:

> The Council is reported to have been of great value in acquainting the different organizations with each other and with the work of all; in securing closer and more intelligent co-operation; in creating interest in specific as well as general problems of the community.

No standardization has been attempted.

Youngstown

Mr. O'Connor reported that the Youngstown Council, which is no longer active, "promoted co-operation, cleared up misunderstandings, created a unified public sentiment, and cleared away jealousy and unfounded prejudice."

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Failure is reported, however, in the matter of standardization. This work is now carried on more successfully by the city's commercial organization. Informal results in the same direction have been obtained through a social workers' study club, comprising about 40 of the leaders, both professional and volunteer. It meets monthly at luncheon. The members in turn present papers regarding the highest attainment in the subject considered, and general discussion follows. Thus a clear idea is given regarding what other communities have accomplished, and where the local work stands by comparison. The secretary writes: "This tends naturally to raise standards, but the coercive agency is still important. . . . We considered a number of strictly local matters last year and now (December, 1916) are taking up social legislation."

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APPENDIX IV

THE BOSTON CONFERENCE ON ILLEGITIMACY

By Mrs. Ada E. Sheffield

THE objects of the Conference on Illegitimacy, which was organized in 1912, are: (1) to draw maternity workers into one body so as to make them aware of a problem in common; (2) to raise and make uniform standards of care for the unmarried mother and her child; (3) to study underlying social factors. These purposes are carried out partly through monthly discussions and partly through the work of committees. A report of the studies made by these committees was published in 1914. A manual of the Massachusetts laws bearing on illegitimacy will soon be published. To help in the study of the normal unmarried mother a tentative schedule has been prepared, in the trying out of which eight or ten other cities are co-operating. Representatives from these cities have met together at the National Conference of Charities for the past two years and will meet again in 1917 to discuss the schedule.

The membership of the Conference increased so rapidly that it was necessary to limit it to 75. For the past three years, attendance at the monthly meetings has averaged about 42; these, with few exceptions, are case workers, and in all instances workers from medical or social agencies dealing with some aspect of the problem. The members are agreed that their standards of work have steadily risen and become more uniform. A worker who attended the Conference, after several years' absence from Boston, was astonished at the growth in thoroughness of method and at the spirit of inquiry which she observed in members from agencies previously known as ultra-conservative.

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APPENDIX V

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[1] Issued by the Cincinnati Federation.

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APPENDIX VI

DIRECTORY OF FINANCIAL FEDERATIONS

CITY	NAME	CORRESPONDENT	ADDRESS
Baltimore	Alliance of Charitable and Social Agencies	R. C. Edlund, Director	McCoy Hall
Cincinnati	Council of Social Agencies	C. M. Bookman,[1] Director	807 Neave Building
Cleveland	Welfare Federation	Sherman Kingsley,[2] Director	~~319~~ Electric Building
Dallas	Federated Charities Finance Association	W. C. Howell, Secretary	1913½ Commerce Street
Dayton	Federation for Charity and Philanthropy	~~Charles J. Brennan~~, Managing Secretary	Third and Jefferson Streets
Denver	Federation for Charity and Philanthropy	Guy T. Justis, Secretary	251 Coronado Building
Elmira	Allied Charities Fund	Mrs. J. Sloat Fassett, President	Federation Building
Erie	Social Service Federation	W. A. Harris,[3] Secretary	Penn Building
Grand Rapids	Federation of Social Agencies	~~Harry L. Allen~~, Secretary	314 Association of Commerce Building

[1] During the period covered by this report W. J. Norton was director.

[2] During the period covered by this report C. W. Williams was secretary. The Federation was called the Federation for Charity and Philanthropy.

[3] During the period covered by this report Guy T. Justis was secretary.

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DIRECTORY OF FINANCIAL FEDERATIONS

CITY	NAME	CORRESPONDENT	ADDRESS
Milwaukee	Centralized Budget of Philanthropies	Robert L. Frost, Secretary	373 Broadway
Oshkosh	General Welfare Association	A. L. Osborn, Treasurer	New German Bank Building
Richmond, Ind.	Social Service Bureau of Wayne County	~~John Melpolder,~~ Secretary	Commercial Club Rooms
St. Joseph	Federation for Charity and Philanthropy	J. G. Schneider, President	Commerce Club
South Bend	Federation for Social Service	Mark L. Duncan, Executive Secretary	Chamber of Commerce Building

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